Daily Report

Latin America

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Cuba

Rodriguez Heads Delegation at CEMA Session

Meets With Gorbachev

FL142246 Havana Radio Reloj Network in Spanish 2132 GMT 14 Oct 87

[Text] Nikolay Ryzhkov, chairman of the USSR Council of Ministers, today conveyed warm greetings to Commander in Chief Fidel Castro when he met in Moscow with Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers of Cuba. Ryzhkov and the Cuban leader, who headed our country's delegation to the 43d CEMA session, discussed matters related to bilateral relations.

Carlos Rafael Rodriguez and the heads of the other delegations attending the CEMA session were received by CPSU Secretary General Mikhail Gorbachev. Referring to that meeting, the Cuban leader stated that the deep changes taking place in each one of the socialist countries were made evident at that time and unity among CEMA member countries was confirmed.

Speaks at Session

FL141640 Havana Tele-Rebelde Network in Spanish 1200 GMT 14 Oct 87

[Text] In a speech at the 43d special session of the CEMA Council in Moscow, Cuban Vice President Carlos Rafael Rodriguez said that Cuba considers the principle of preferential treatment, from which it benefits along with Vietnam and Mongolia within that socialist economic integration system, to be an advancement for the new international economic order that is sought by the Third World.

Rodriguez added that socialism would not be what it is without its economic and trade principles. It would not establish the new order that is demanded by underdeveloped countries. This, he stressed, is the essence of the system itself.

The Cuban vice president also said that Cuba will fulfill its part in the world renewal and modernization of socialist forces.

Nicaraguan Minister Speaks at Training Seminar

FL142021 Havana Tele-Rebelde Network in Spanish 1700 GMT 13 Oct 87

[Text] The ILO is sponsoring regional training courses in which Cuba is extensively participating.

An international seminar on systems for professional training in production and its ties to labor education began today in Havana with the participation of nine regional countries.

Francisco Linares, minister president of the State Committee for Labor and Social Security, inaugurated the meeting. He stressed the importance Cuba places on the exchange of expertise between American nations for the benefit of the peoples.

[Begin Linares recording] Delegates and guests: We are honored with your presence and we wish you success in the seminar and a pleasant and productive stay in our country. Thank you very much. [applause] [end recording]

Benedicto Meneses, Nicaraguan labor minister, welcomed the idea of holding multinational programs that will elevate the technical and professional level of workers.

[Begin Meneses recording] Everyone knows that technical and professional training is included among the current major topics. In the particular case of Latin America and the Third World, this discussion and new methods are of greater importance. And only the extent to which we apply all our efforts for the creation of programs that will elevate the technical level of workers, will allow us to achieve greater development and a better future. [end recording]

The topic of mid-level professional training in Cuba will be discussed this afternoon by the delegates attending this event.

The seminar is being held in the Palace of Conventions and will end on Friday.

PCC Delegation, Almeida Bosque Depart DPRK

FL141625 Havana Tele-Rebelde Network in Spanish 1200 GMT 14 Oct 87

[Text] The PCC delegation headed by Commander of the Revolution Juan Almeida Bosque, member of the PCC Politburo and vice president of the Council of State, has departed Pyongyang after a 9-day visit to the DPRK.

National Bank President Arrives in Argentina

FL142348 Havana Radio Reloj Network in Spanish 2147 GMT 14 Oct 87

[Text] Hector Rodriguez Llompart, minister presidentof the National Bank of Cuba, arrived today in Argentina. He is heading an official delegation from our country. The aim of the high-level Cuban official is to analyze with local economic authorities bilateral relations in that important sphere.

Panama Alert, Aware of U.S. 'Looming Threat

PA141809 Havana International Service in Spanish 2300 GMT 13 Oct 87

["Our America" commentary read by Norberto Hernandez]

[Text] Increasing U.S. meddling in Panama's domestic affairs leads one to the idea that an act of provocation is being prepared. If the provocation materializes, it could result in very grave problems for Panama.

In this regard, one should recall some facts that very much pertain to this situation, considering the repeated participation of an important U.S. official in provocative activities.

The U.S. official is Charles Stone, chief of the Marine Corps of the U.S. Embassy in Panama [title as heard]. According to the daily *La Republica*, Stone was caught this past Sunday taking part in a demonstration of the Civic Crusade, a business sector organization that has been carrying out subversive activities along with rightist groups for the past 4 months.

This is the second time that Stone has participated in antigovernment incidents. He had previously participated in riots that took place in September, organized by the right and by the enterprise sector, and during which one young man died.

The participation of this U.S. colonel in destabilization activities is only one of many such activities in which both U.S. officials and military men have been participating for some time.

It is worth recalling that similar activities were carried out—also in September—by U.S. Embassy Economic Counselor David Miller, who was arrested during riots.

In this listing of facts, a charge made by the daily *La Republica* about a clandestine intelligence commando unit organized by the U.S. sector of the Canal Commission to secure a prolongation of the U.S. military presence in Panama must be mentioned.

La Republica notes that the nominal head of the group is General Charles Morris, but that the one who really heads it is General Dennis Mcauliffe, the main official of the Panama Canal Commission, from where all the propaganda campaigns against the Panamanian Government have emerged.

As if this were not enough, a short while ago approximately 100 U.S. military men left their bases and surrounded the U.S. Embassy in Panama City, in an open provocation directed against the Panamanian authorities.

Shortly afterward, President Eric Arturo Delvalle cautioned that he would act firmly in the face of any subversive activity. Three days ago, nine U.S. military men were arrested while participating in antigovernment demonstrations.

The participation by U.S. military men and senior U.S. officials in such an active and shameless way in everty rightist demonstration that takes place in Panama is all too evident. The accumulation of incidents of this nature has led to the belief that an open U.S. provocation against Panama is underway to justify a direct intervention in order to assure not only an indefinite U.S. presence in the canal, but also the presence of the Southern Command, where all the counterinsurgence strategy for Latin America is plotted and rehearsed.

In the meantime, the Panamanian Government remains alert, aware of the looming threat.

Central American Talks Defy Comparison

PA140008 Havana International Service in Spanish 2300 GMT 11 Oct 87

["Our America" commentary]

[Text] Since the presidents of five Central American countries signed a peace agreement, all Latin American political sectors and the rest of the world voiced speculations and expectations. There are sufficient reasons, not only for the expectations, but also for the yearnings for positive results in Central America, which is one of the world's many troubled regions.

With attitudes varying from obligatory to sincere, the five countries are carrying out preliminary steps for implementing the agreements, which are scheduled to go into effect on 7 November. One of the topics generating the most comments is the government-guerrilla talks, as in Guatemala and El Salvador. Certain sectors try to compare these talks with relations between the Nicaraguan Government and the revolutionary gangs. We say this because a few days ago Elliott Abrams, U.S. assistant secretary for inter-American affairs, said that the Sandinist authorities should sit down and talk with the counterrevolutionaries, as President Jose Napoleon Duarte did with his country's insurgents. For many reasons this preposterous comparison cannot stand serious reasoning. It is widely known that El Salvador's guerrilla movement is a belligerent political force worth taking into account. In addition to proving this daily, it struggles to comply with all the purest wishes of the whole population. If this were not enough, it occupies more than a third of the country.

If the world knows this fact, it also knows that the anti-Nicaraguan gangs are to begin with mercenary groups. They must be pushed by those who pay them to commit the misdeeds in Nicaraguan territory, where they have not managed to hold onto a single square inch. If the well-earned prestige of the Salvadoran insurgents grows daily, the fame diminishes that only the United States wants to create around the anti-Nicaraguan irregular forces. They are bandits who fight a lot, but among themselves, over the earnings from drug trafficking and other shady businesses.

We are not going to analyze here the possible maneuvers the Salvadoran regime may be undertaking behind their talks with the guerrillas. We do want to stress that just sitting down to talk is a political event of indisputable importance; it is an indication of the insurgent's strength. This is also different in Nicaragua, where the authorities have reiterated that they will not speak with

the counterrevolutionaries because they do not have any representativity, and that the government will only talk with those who order them: the U.S. Government.

We could speak further on the topic, but we believe this is enough for now to prove that similarities cannot be established between such different events and participants.

PCC Expresses Solidarity on Death of Leal

FL141244 Havana Tele-Rebelde Network in Spanish 1200 GMT 14 Oct 87

[Text] The PCC yesterday sent a message of solidarity to the Communist Party of Colombia and the Patriotic Union (UP) in which the party condemns the vile and abominable assassination on 11 October of Senator Jaime Pardo Leal, UP president.

An editorial published in today's *Granma* says that Pardo Leal's prestige was based on his well-known personality as a politician committed to the battles for peace and democratic liberties and this ultra-rightist action converts the South American country into a bloodbath victim.

Our party's message joins other demands calling for an end to this wave of terror and the punishment of those responsible for these reprehensible crimes, which have disconcerted the Colombian people.

U.S.-Caribbean Trade Rapidly Declines

PA141308 Havana International Service in Spanish 2300 GMT 12 Oct 87

["Our America" commentary read by Manolo Ortega]

[Text] The Caribbean governments, alleged beneficiaries of the plan launched for this region by Washington in 1984, are increasingly concerned about how their trade relations with their northern neighbor are rapidly deteriorating, contrary to what Ronald Reagan had announced with a lot of fanfare.

According to a specialized study released in London, exports to the United States from the 22 Caribbean countries, alleged beneficiaries of the initiative, have dropped. The U.S. Commerce Department itself admits in its figures that between January and July 1987 imports from the Caribbean dropped by 6.2 percent compared with the same period in 1986.

According to Caribbean government officials, sales from the region to the United States will drop below $6.49 billion this year. The negative effect will be great if one considers that in 1984 total exports to U.S. markets amounted to $9 billion and in 1985 they amounted to $7 billion.

The report released in London states that one of the basic causes of this steep drop is the U.S. decision to reduce its sugar purchases and even to eliminate its sugar market in the future.

The sugar issue, so sensitive for the Caribbean, is currently being debated in regional bodies, such as in Economic and Social Inter-american Council of the OAS and in the GEPLACEA, Group of Latin American and Caribbean Sugar Exporting Countries. Ministers and other government officials from the countries that sell sugar to the United States are concerned about the official policy of that country aimed at reducing and even eliminating its sugar imports, which will bring about an unprecedented crisis among exporters. This year the U.S. market will only buy 1.1 million tons of sugar, which is 700,000 tons less than in 1986. Out of that figure, the Caribbean may only sell nearly 600,000 tons, a big difference from the 1.5 million tons the area exported last year.

The reduction of U.S. purchases highly affects the revenues of the Caribbean countries. For example in 1981 total Caribbean exports to the United States amounted to $15 billion. In 1985, the amount dropped to $9 billion and this year the figure will barely reach $2 billion. Observers conclude that the worst thing about this is that Washington, far from seeking solutions to this problem, insists in reducing import quotas regardless of what its minor associates think or say.

OTHER COUNTRIES

Haiti

Police Official on Yves Volel Slaying

FL142145 Port-au-Prince Radio Nationale in Creole 1300 GMT 14 Oct 87

[Excerpts] Our first news item is on Attorney Yves Volel, founder and president of a political group called Christian Democratic Assembly, RDC. Volel was a presidential candidate, and he was shot and killed yesterday morning by armed individuals in civilian clothing. [passage omitted]

In connection with this incident, we will have you listen to the statements made by Major Joseph Baguidy, a department head at the Criminal Investigations Department, during an interview over Television Nationale.

[Begin recording] [Baguidy] Early this morning over the radio, I heard that Yves Volel was asking everyone to gather in front of the police station so he could go inside and release a protege of his who had been arrested. But no one ever imagined—not even myself—that he would come down to the police station with a large group of people. He told people to meet in front of the police station at precisely 1000.

Indeed, at 0945 Yves Volel showed up at the head of approximately 100 men. Other men continued arriving, until there were some 200 people in front of the police station, with Volel at their head. He spent 15 minutes haranguing them, asking them to enter, to accompany him inside the police station to get a prisoner, to protect

him. When Volel left the spot from which he was addressing the people and began to advance, a tall, black man wearing sunglasses, black trousers, and a red T-shirt hauled out a 38-caliber gun and fired. He fired the first shot. It was when he shot that we discovered that there were other armed individuals in the crowd. Volel himself was carrying a 45-caliber weapon, which he fired. When our people responded, to defend their post...[shifts thought] there is no military post in the world that someone can just walk in and take. It can't happen. It simply has never, and will never, happen! So, when our people responded, he was killed. There is a very good possibility that others may have been wounded as well, because there were many individuals in civilian clothing whom he had posted under the trees in the police station parking area who must have shot.

[Reporter] Major, you said that Volel fired. Did he fire first? Or was there any resistance from your people before he fired?

[Baguidy] No, there was no hindrance at all, because we had asked...[rephrases] all the soldiers were inside. That is what we usually do when we see people starting to gather. We ask all the soldiers to go inside. Volel had posted men among the people lining up under the trees to be fingerprinted. We thought they were people who had come to be fingerprinted, whereas they were people whom he had infiltrated into the group, who were supposed to be there waiting for him. They were armed. It was they who started shooting.

[Reporter] Couldn't he have gone inside to try to see you, to talk to you?

[Baguidy] That would have been easier. It would have been easier to do it the way it is always done. We receive lawyers on business here every day. They come to see me in connection with cases. I discuss the cases with them, and I have never had any problem with this.

[Reporter] In conclusion, how did Volel get shot?

[Baguidy] Well, we don't know exactly, because all the guards were inside. I myself was in my office. I meet with the officers every Tuesday. The soldiers were already inside. Since the first man to fire was behind, out there in the parking area—and since there were other people with him who were armed, I am quite sure that one of them...[shifts thought] we use Uzi's and 38-caliber revolvers, but we don't use 45-caliber weapons. We found a 45-caliber weapon next to him. Apparently, the guys with him had 45-caliber bullets, because we found (?12) 45-caliber shells.

[Reporter] What caliber was the bullet that hit him?

[Baguidy] A 45-mm bullet.

[Reporter] A 45-caliber bullet. So, you still don't know who shot him?

[Baguidy] No, no.

[Reporter] But didn't you members of the police, seeing that the crowd looked threatening, take any measures to protect the post?

[Baguidy] Well, the first thing we did...[shifts thought] we never dreamed that anyone would try to enter the police station at the head of a crowd. So we asked all our people to stay inside the station. As they advanced, when we heard all the shooting, that's when we went into action.

[Reporter] Well, he is definitely dead now. What is your position on this incident?

[Baguidy] Well, we are going to see if we can arrest the man they pointed out to us, and perhaps we can find the others, using him as a starting point. An investigation into this incident has been opened. No one should think he can just walk into a police post and take it. It just isn't done. And it isn't possible, either. [passage omitted] [end recording]

Electoral Council Bans Duvalierist Candidates

PA141823 Hamburg DPA in Spanish 1350 GMT 14 Oct 87

[Text] Port-au-Prince, 14 Oct (DPA)—In clear defiance of the supporters of the overthrown Haitian dictatorship, the Provisional Electoral Council (CEP) stated that it will strictly apply Constitutional Article 291 which prohibits Duvalierists from running for public office.

The CEP is charged by the Constitution with organizing and supervising the first free presidential elections to be held in Haiti on 29 November.

Announcing that its members "will sacrifice their lives, if need be, to fulfill their mandate," the council said in a statement released last night in Port-au-Prince that "those used to kidnapping mothers and fathers and torturing children should realize that their time has passed. [no closing quotation marks as received]

"The people made this clear on 7 February 1986," it added in reference to the date when President for Life Jean-Claude Duvalier fled Haiti to take refuge in France.

CD Questions Salinas Nomination Procedure

PA141736 Madrid EFE in Spanish 0619 GMT 14 Oct 87

[Text] Mexico City, 13 Oct (EFE)—Today the Democratic Current (CD) of the ruling PRI party decided to reject the candidacy of Carlos Salinas de Gortari to the Mexican Presidency and to launch its own candidate.

The members of the "current" are PRI members who, for 14 months, have seriously questioned the selection procedures for the party candidate, an attitude they have made clear with their reaction to the selection of Salinas de Gortari. According to them, he was selected "using an antidemocratic and authoritarian procedure."

The CD, led by Porfirio Munoz Ledo, former Mexican representative to the United Nations and former PRI president; and Cuahtemoc Cardenas, former Michoacan governor said they will employ "all the legal and civil means—electoral and non-electoral—to reestablish the revolution's principles and to safeguard the Constitution."

Cardenas was nominated as "current" precandidate to the Presidency. However, his followers did not formally present his registration request before the PRI. Salinas de Gortari became the candidate for the party that has ruled Mexico since 1929.

The PRI liberals reiterated that they will proceed with the Cardenas candidacy. Cardenas is the son of President Lazaro Cardenas who, in 1938, nationalized the oil industry and remains one of the former presidents most loved by the Mexican people.

The possible candidacy of Cuahtemoc Cardenas seems to have the backing of the two parties that have traditionally been described as PRI "appendages," and that have backed presidential hopefuls on more than one occasion.

Specifically, the Authentic Party of the Mexican Revolution (PARM), which originated from a dissident PRI group, offered Cardenas the nomination at the risk of an internal split, because a group of its leaders supported Salinas de Gortari.

The Popular Socialist Party (PPS) today reported that the negotiations to propose Cadenas as a presidential candidate of "the progressive and nationalistic forces" are well under way.

Cuahtemoc Cardenas explained that he accepted the PARM proposal "out of a sense of responsibility to the Democratic Current, which seeks basic changes in national politics and struggles for a democratic role in the decision making process."

The presidential elections for the 1988-94 period are to take place in July 1988, and there are already four presidential hopefuls, the favorite one being Salinas de Gortari.

Herberto Castillo, a popular politician and former leader of the 1963 student movement, is the candidate for the Mexican Socialist Party, which resulted from the blending of communists, radical socialists, and populists.

Rosario Ibarra de Piedra, human rights activist and proponent of solving political kidnapping cases, is—for the sencond time—a presidential candidate for the Trotskyite Revolutionary Workers Party.

Gumercindo Magana, a rural community leader, is the presidential hopeful for the Mexican Democratic Party (PDM), which originated in the Catholic conservative movement known as Sinarchist.

Still pending is the candidate for the main opposition force, the right-wing National Action Party, as well as the Workers Socialist Party, also very close to the PRI.

Nonoil Exports To Produce $12 Billion

PA132110 Mexico City XEW Television Network in Spanish 1300 GMT 12 Oct 87

[Text] This year Mexico's nonoil exports will amount to approximately $12 billion. Miguel Acevedo, deputy director of the National Foreign Trade Bank, has stated that this represents an increase of almost 300 percent in only 4 years. He said that in the exports production sector, growth has been most notable.

He estimated that by the end of 1987, manufactured exports will have produced more than $9 billion. This means that the sale of manufactured goods will represent almost 80 percent of all nonoil exports.

Acevedo explained that 5 years ago the production sector exports totaled only $3 billion.

Country Claims Highest International Reserves

PA132108 Mexico City XEW Television Network in Spanish 1300 GMT 12 Oct 87

[Report by Juan Pablo Guerrero]

[Excerpt] This year, Mexico has procured the highest international reserves in its history. On 1 September, the Bank of Mexico had $14,597 billion, and it is to be expected that these reserves have increased since then. [passage omitted]

El Salvador

Government, Rebels To Hold 'Secret Talks'

PA141243 San Salvador EL MUNDO in Spanish 12 Oct 87 p 1

[Text] A high-ranking government source announced today that the two commissions formed by the government and the FMLN-FDR during the third round of the dialogue will hold secret talks outside the country late next week.

The source added that the private meetings might be held in any of the following countries: Costa Rica, Venezuela, or Mexico, and there is no limit set on the duration of the talks, which will conclude when specific agreements are reached. The source added that the commissions will discuss the cease-fire agreement between the two parties, as President Duarte announced, to prevent it from being a unilateral cease-fire.

Meanwhile, the president announced on Saturday that the military delegates appointed to the cease-fire commission are General Rinaldo Golcher and Colonel Leopoldo Hernandez, and they will accompany Julio Adolfo Rey Prendes and Dr Fidel Chavez Mena. Commanders Jorge Melendez, aka "Jonas," and Leo Cabral have been appointed to represent the FMLN-FDR at the cease-fire negotiations. The other commission includes Eduardo Calles and Jorge Villacorta.

According to Duarte, the military men chosen "are very trustworthy and believe in democracy." The results of the talks between the two commissions must be given to Msgr Arturo Rivera y Damas, the mediator, by 4 November at the latest. Otherwise, "they will continue with their work within the deadline of 120 days according to the Esquipulas II Agreement," it was said.

According to the reports, the two commissions are scheduled to meet next week because some of the government delegates are accompanying President Duarte on his tour of the United States and Europe beginning tomorrow. Dr Fidel Chavez Mena and Julio Adolfo Rey Prendes will return to El Salvador next week.

FMLN's Melendez on Talks With Government

PA131910 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 13 Oct 87

[Interview with Jorge Melendez, "Commander Jonas," of the FMLN, member of the FMLN-FDR delegation to the 4 October dialogue meeting with the Salvadoran Government, with unidentified reporter; date and place not given—live or recorded]

[Text] [Reporter] Commander Jonas, we would like to ask you about the background of the meeting, specifically about the agreements achieved in the prior meeting in Guatemala. Can you tell us what permitted the achievement of those agreements and their significance?

[Melendez] First of all, after signing the Esquipulas II accords the FMLN felt that the substance of the Guatemala Esquipulas II Agreement coincided with our proposals for a political solution in El Salvador and that the only thing needed was to adapt the procedures and mechanisms to the specific characteristics of our country and conflict. We immediately launched a political and diplomatic offensive and we made efforts through President Arias. We met with Panamanian President Eric Delvalle. At the same time, inside the country the political parties, the popular movement, the universities, the union movement, and even professional organizations which supposedly support the Christian Democratic government stated that the government and the guerrillas should hold a dialogue to achieve the implementation of a peaceful solution. This clearly showed that the national and international public felt that the specific characteristics of the Salvadoran conflict placed it outside the framework of the general mechanisms established by Esquipulas II but upheld the need for democratization, national sovereignty, the social and economic development of our countries and the need to find political solutions to the military conflicts in the Central American region.

In Guatemala, the agreements with the government were reached within this context. Duarte was isolated and was described as being reluctant to resume the dialogue process. He needed or was obliged to give a positive reply to holding a new dialogue meeting. In order to hold such a meeting—the date and place of which Duarte had publicly announced in reply to a proposal that our fronts had made privately—we proposed a number of measures to guarantee the security of our delegations and to create the conditions for a dialogue meeting, in other words, conditions that would guarantee offensive military actions would not be carried out. Military actions would not create the most favorable climate for holding such discussions. The agreements included demilitarization of zones of the country from which we and the Army would withdraw our troops so as to permit the passage of the delegations coming from the war fronts. They also included a halt to the offensive actions on the national level to promote the conditions for concentrating our efforts in the discussions and not in waging military actions.

In practice, from the beginning of the implementation of the agreed-upon plan the government began to violate the agreement on the halt of offensive actions and the demilitarization of zones, and it carried out measures to confuse the people and to prevent diplomats from accompanying the delegation that was coming from abroad. Nevertheless, we remained firm in our decision to attend the dialogue meeting. We were sure that those actions were a maneuver to make us give up our decision to go to the meeting. The government could then say that we were not willing to go to the meeting. The government's propaganda machinery would then be used to blame us. It would thus prevent holding a political event

that would demonstrate the government's lack of proposals, the huge popular support of the FMLN, and the clear and evident fact that we are both a political and military force because of the type of measures that we would adopt and the type of agreements that we had already reached to hold the meeting.

[Reporter] Unlike the preparatory meeting in Panama for the frustrated dialogue in Sesori, where the security problem was one of the main issues and where our proposals were not accepted by the government, on this occasion the government did accept this type of agreement. How do you explain that?

[Melendez] The government's acceptance on this occasion is a demonstration of the FMLN's military development of its capacity to be linked to the popular movement. It is also a demonstration of the greater international recognition that our two fronts have achieved. In other words, the strength accumulated by the FMLN and FDR as a real and feasible alternative for our country has been able to overcome the government's lack of desire to hold a dialogue.

[Reporter] You have mentioned a lack of government proposals. It has been revealed that Duarte has mentioned a pardon and a consignment to oblivion [of the rebels]. Was this the only proposal presented by the government at the meeting? Could you expand on this point having to do with the proposals?

[Melendez] In the first place, the dialogue was designed by the Napoleon Duarte government for use in elections, not to discuss important aspects. Its proposal contained, essentially, three points: the acceptance of nonviolence as a starting point; the acceptance of a pardon and a consignment to oblivion, as the other element; and third, the implementation of the Esquipulas II agreements.

We proposed that the nonviolence element has to be a fundamental and integral part of the political solution aimed at securing a society at peace; a society without social injustices, misery, or repression; a society that has recovered national sovereignty and independence.

We stated that in this framework we accept the philosophy of nonviolence as an objective but not as a starting point because we would be fooling ourselves if we speak of nonviolence in a society as violent and unjust as the one in which the Salvadoran people live right now.

Regarding a pardon and oblivion, we also accepted that these are also integral elements of the political solution. We have to consider these elements as a responsibility of the national authorities once an agreement is reached because if this element was not included it would be like maintaining an indefinite conflict, a witch hunt, as if no agreement had been reached.

Regarding the third aspect, Esquipulas II, we reiterated our agreement with the fundamental proposals of the agreements signed in Guatemala, called Esquipulas II.

The government has stated that the aspects of sovereignty, independence, and economic and social development were romantic aspects of the agreements and that the fact is that we have to accept a cease-fire, an amnesty, and then join its [the government's] democratic process.

The government's essential starting point is a long way from a real and serious search for a viable political solution that in our point of view has to go through the phase of overcoming the problem of injustice and be based on a true decision [words indistinct] to recover our sovereignty and then strive to resolve the huge political, economic, and social problems that our country faces.

The government delegation's position showed the deep dependency and total inability of the government to carry out economic and social projects. It demonstrated that it is capable only of implementing military strategies and of having a government and [words indistinct] of a counterinsurgency nature.

They justified this by arguing that it has been the war that has pushed us to dependency and poverty and that the insurgency is what has led them to design a counterinsurgency political setup.

It is obvious that we do not share their pretty causes, but besides that we [words indistinct] that if this is a matter of a counterinsurgency political plan then there is no real democracy. Therefore, the two fronts cannot be asked to join a counterinsurgency plan, the people cannot be asked to be nonviolent when violence is being used, a pardon and oblivion cannot be demanded from national groups, and our fronts cannot be asked to accept the reasons [words indistinct] for the revolutionary forces to put down their weapons when the fact is that the causes that generated this struggle still exist.

We believe that it is better to try to create a program [words indistinct]. It is because of this that I am telling you that the government side did not have any proposal at all and that its position was very, totally, removed from the possibility of finding a political solution to our conflict.

I could tell you that its position was rather dependent and having a strategy [1-second break in reception].

[Reporter] Why cannot the Duarte regime abandon the counterinsurgency setup, since it realizes that this setup is determining government policies?

[Melendez] No. The war in our country is officially peculiar [as heard]. Here there is a government and an army that are totally dependent on financial and political backing from the United States, specifically from the

current U.S. administration. It is there that the policy implemented by the Salvadoran Government and the decisions adopted by the current Army are determined.

In this case one would rather have to ask: What are the formulas or the factors that could lead or help this government change its attitude and to give the Salvadoran people hope for a solution?

First, the revolutionary army must be maintained to guarantee that a dependency scheme [esquema] will not be established and consolidated. Second, the struggle by the people's movement must be maintained and expanded, the political struggle of the nation's democratic sectors must be maintained and expanded, and, in general, we must strive for convergence and patriotic unity among all of the country's sectors. In other words, all sectors, ranging from the democratic managerial sectors to the political parties, the people's movement, and the revolutionary and democratic forces, must seek understanding. They must seek consensus to isolate the irrational, meddlesome position on both the national and international levels. To the extent that we manage to reach this consensus, to the extent that we build up our nation's forces we will weaken and isolate all political positions dependent on a war strategy imposed from abroad.

[Reporter] Commander Jonas, could you tell us, first, under what conditions could a cease-fire be agreed upon? Second, what game is the government playing with its proposal of a unilateral cease-fire and the so-much-vaunted Concordia plan?

[Melendez] I would begin with the latter. However, the unilateral cease-fire and the Concordia plan are virtually one and the same plan. It would be worth making the charge here, or partially laying bare a government maneuver. The Concordia plan has been devised to try to achieve maximum deployment of military units throughout the national territory so that the moment the unilateral cease-fire is declared and the call to [words indistinct] is made the Army will occupy as much territory as possible in order to prove that the FMLN does not control any territory. Already in our territory, the Army would wait for us to attack, and if this did not happen they would carry out an attack against themselves. Their purpose here would to be prevent a cease-fire from actually occurring, to keep this from becoming one. [passage indistinct]

In addition, they would use this propaganda ploy to disguise the real objective and the real purpose of this plan, which is to [words indistinct] helicopters, supplies, weapons [words indistinct]. In other words, they would [words indistinct] U.S. military [words indistinct] and, at the same time, use the cease-fire for propaganda purposes, thus making believe they are complying with the Esquipulas agreements.

2. [Number as heard] The unilateral cease-fire proposal reminds us a bit of what happened in Nicaragua, where the Sandinist government has proposed establishing a unilateral cease-fire. Here, the intention is totally distorted, also. That is, there exists no parallel between the FMLN and the Somozist contras. The FMLN is a military revolutionary force with roots among the people. Its military commmand, leadership, and military forces are located in our country and it does not depend on any foreign power for sustenance. In addition, the FMLN fully identifies with the nation's and the people's interests.

In the case of the Somozist contras, they comprise a mercenary force that totally depends on the Reagan administration for sustenance, and the offer of a unilateral cease-fire and amnesty is already resulting in the surrender of many mercenary soldiers who do not think they have a chance of victory and [words indistinct].

As for the [words indistinct] cease-fire, we (?view) it as linked to an overall political solution. We propose the following as factors to achieve a cease-fire, and we outlined them as follows.

A cease-fire in the war in El Salvador presupposes:

1. A reorganization of the government to include all sectors advocating a political solution, without exceptions. This would include the FMLN and the FDR.

2. A guarantee that the fighting will end in the field. Since there will be no disarmament with the cease-fire, such a guarantee will be necessary to ensure neither side will take advantage of the situation to increase its military strength.

For that reason we propose:

a. The territory of each military force must be delineated.

b. A moratorium on the arms buildup of each side must be established, along with verification mechanisms to be supplied by the Contadora and the Support Groups.

c. There must be an end to conscription.

d. Foreign military advisers must be withdrawn.

The withdrawal of the foreign military advisers and the moratorium on the arms buildup would strengthen national sovereignty and thus the determination to achieve a solid and lasting peace.

3. All this would [words indistinct] the amendments to the Constitution.

4. Negotiations for this cease-fire proposal can be made within the specified time. We are thus making a totally realistic proposal [words indistinct]. Restructuring the

government is a necessity. Right now there are two forces clashing: the military and the political. The political solution cannot be given up by either of the two sides. At no time can there be demands for either side's weapons to be turned in. We must arrive at an understanding, a draft that swiftly spells out the possibility of developing political means of resolving the confrontation that exists at this moment.

We made a proposal to the government—which they interpret as our wanting to attain at the bargaining table what we cannot attain on the battlefield—that at no time will they give up their arms. We clearly say that we do not trust them; we do not trust their democratization process, which really does not exist; we do not trust their will to change things. We are only willing to reach an agreement that means restructuring the government with both our fronts present and with the representation of the remaining political and social forces in the country. [passage indistinct] The government would then remain armed, with a much larger Army, and with a number of mechanisms and ways to make propaganda.

There is no sense in our sitting down to talk only to have them say we wish to attain at the bargaining table what we could not attain on the battlefield. We will simply continue being what we have always been, and they will continue (?negotiating) as they are right now. The only difference would be that we would seek the resolution of the conflict through political means and would not exclude the remaining social sectors as is now the case, in which such sectors are excluded from the government and excluded from political decisions, which as I said before are determined beforehand by a foreign power.

Regarding [words indistinct] we cannot discuss a cease-fire that does not delineate the areas, and there cannot be a cease-fire which may overlap [as heard] and where an action cannot be determined as being defensive or offensive.

On the arms moratorium for both sides, I suggest the following: They insist on saying that we depend on supply from abroad. It is apparent to us that supplies from abroad are necessary for the present government and Army. If they are proposing that we not be supplied from abroad, it must means that they must be willing to abide by an end to military aid for both sides.

On press-ganging , this is clearly a violation of human rights and obviously goes against the nature of the conflict [words indistinct] press-ganging should never exist. This should be left up to the people. They should opt for one or the other alternative, for which army they want to join. Anyway, if we went along with a cease-fire we would have to include this in the agreement. In the meantime, the government denies this legitimate right of the people to freely opt for the political alternatives which they consider more beneficial. We therefore believe that for the government, the cease-fire is more of a propaganda ploy to cover up the military upsurge they plan to carry out.

We, on the other hand, have a broad and serious intention to continue fighting. We would go along with a cease-fire that really reflects a process of solutions and not a weak process that would only be used for political purposes and no time [words indistinct].

Regarding constitutional reforms, we have been very clear in stating that we do not recognize the Constitution. If the government feels tied to the Constitution then it has the tools to reform it. That is their problem. We understand, however, that this is no longer involved, but they still must follow the procedures and laws so as not to block the country's interests. In other words, we cannot give priority to a legal agreement over a true way out. The laws should reflect reality and not the other way around, with reality having to depend on what the laws say, even if these laws do not fully and properly recognize the existing situation.

URNG: Government 'Distorts' Truth on Talks

PA141311 Guatemala City EL GRAFICO in Spanish 13 Oct 87 p 20

[URNG communique published as paid advertisement: "URNG Press Communique to the Guatemalan People and to the International Public;" date and place not given]

[Text] On 2 October, the Guatemalan Government, through the Presidency's Public Relations Secretariat, issued a bulletin in which it purposefully distorts the truth about the agreements established between official Guatemalan Government representatives and the URNG General Command with regard to a meeting agreed upon between the two parties to analyze the conflict situation the country is experiencing and to promote a democratic process in Guatemala.

The text of the agreements was established between the two parties and its terms were accepted by each side. The agreements included the bilateral suspension of military actions in the entire national territory.

The statements by the government, in addition to the statements by the defense minister and by the government spokesmen, are a flagrant violation of the agreements and are an attempt to manipulate and deceive the national and international public.

We have fulfilled the commitments with much seriousness and responsibility.

The fact that the Army has proclaimed its decision to launch—precisely now—counteroffensives against our fronts and the fact that its repressive operations of

bombings and destruction of towns have intensified means a blow to the agreements approved by President Vinicio Cerezo, general commander of the Army.

The intention of the government, particularly that of the Army's high command, to try to conceal the magnitude of the internal conflicts the regime is enduring and to portray the URNG as a factor militating against peace and democracy is very clear.

However, the URNG General Command has clearly stated its principles and position before and after the talks with the government.

By attending the talks we were not seeking a way out. We have clearly defined how we will carry out our just and legitimate struggle, and we have proven this.

We reaffirmed that our willingness to hold a dialogue with the government is evidence that we seek to open the doors to national dialogue and to establish sound and irreversible bases to begin the process of peace and an authentic democracy, together with all the political and social sectors of the country.

However, once again the government's attitude and the Army's meddling reveal that there is no true political willingness to find the path for true democracy in Guatemala.

Nicaragua

Government Report on Esquipulas Compliance

PA122222 San Pedro Sula TIEMPO in Spanish 9 Oct 87 pp 2, 9, 19

[Text] The Nicaraguan Embassy has the pleasure of making known the full text of the first report that Nicaraguan President Daniel Ortega Saavedra and Nicaraguan Foreign Minister Miguel D'Escoto Brockman have sent to their counterparts of the Central American, Contadora Group, and Support Group countries. This report has to do with the actions the Nicaraguan Government has adopted to comply with the Esquipulas agreement.

FIRST REPORT

"A CHRONOLOGY OF THE ACTIONS THE NICARAGUAN GOVERNMENT HAS ADOPTED IN COMPLIANCE WITH ESQUIPULAS II, 1987"

I. 7 AUGUST: [subhead]

The five presidents of the Central American states signed in Guatemala the "Procedure for Establishing a Firm and Lasting Peace in Central America," which from here on will be referred to as Esquipulas II.

II. 10 AUGUST: [subhead]

Nicaraguan President Daniel Ortega organizes a presidential commission to supervise strict compliance with Esquipulas II. The commission is presided over by President Ortega. It has three work subcommissions headed by Vice President Sergio Ramirez, Vice Interior Minister Luis Carrion, and Foreign Minister Miguel D'Escoto.

III. 11 AUGUST: [subhead]

On the first workday after his return from Guatemala, President Ortega invites the Episcopal Conference and 11 legally registered opposition parties to turn in lists with three names to choose the principal and alternate representatives who would compose the National Reconciliation Commission to be established in line with Esquipulas II.

IV. 17 AUGUST: [subhead]

The Sandinist Assembly—a representative and deliberating organization of the FSLN—declares its support for Esquipulas II and appeals to all sectors to advance united toward true peace.

V. 20 AUGUST: [subhead]

Six opposition political parties—the Communist Party of Nicaragua, the Constitutionalist Liberal Party, the Independent Liberal Party (PLI), the Social Christian Party (PSC), the Social Democratic Party (PSD), and the Central American Unionist Party—present a list with the names of Virgilio Godoy Reyes (PLI), Erick Ramirez Benavente (PSC), and Manuel Matus Sequeira (PSD).

VI. 21 AUGUST: [subhead]

The Catholic Episcopal Conference presents its list, which is composed of the names of His Eminence Cardinal Miguel Obando y Bravo, archbishop of Managua; Msgr Salvador Schlaelfler, bishop of Bluefields; and Msgr Bosco Vivas Robelo, auxiliary bishop of Managua. The list had been prepared the day before.

VII. 24 AUGUST: [subhead]

A second group of political parties—the Popular Social Christian Party (PPSC), the Democratic Conservative Party (PCD), the Marxist-Leninist Popular Action Movement, the Nicaraguan Socialist Party (PSN), and the Revolutionary Party of the Workers—present another political party list with the names of Eduardo Molina Palacios (PCD), Mauricio Diaz Davila (PPSC), and Luis Sanchez Sancho (PSN).

In Caracas, Venezuela, a meeting ends of 13 Latin American foreign ministers (from Contadora, the Support Group, and Central America), who in compliance with Esquipulas II constitute an International Verification and Follow-Up Commission [CIVS]. The secretaries general of the United Nations and the OAS join this

commission. The meeting of ad-hoc representatives for the study of specific matters are established, and the first such meeting is convoked for 17 September in Managua.

VIII. 26 AUGUST: [subhead]

The Government of Nicaragua becomes the first government to select a National Reconciliation Commission as established in Esquipulas II. It does so in a public ceremony during which President Daniel Ortega makes known who were selected to form the National Reconciliation Commission. They are:

1. Representing the government: Vice President Dr Sergio Ramirez Mercado and Presidency Minister Rene Nunez Tellez—principal and alternate, respectively.

2. Representing the Catholic Episcopal Conference: Archbishop of Managua His Eminence Cardinal Miguel Obando y Bravo and Msgr Bosco Vivas—principal and alternate, respectively.

3. Representing the legally registered opposition political parties: Mr Mauricio Diaz Davila (PPSC) and Mr Erick Ramirez (PSC)—principal and alternate, respectively.

4. Representing the notables: Dr Gustavo Parajon, president of the Ecumenical Committee for Development; and Dr Gonzalo Ramirez, president of the Nicaraguan Red Cross—principal and alternate, respectively.

President Ortega Saavedra, during a public act to report on who was chosen, said how difficult it had been to do so because of the lack of agreement between the 11 political opposition parties in presenting the lists. He said that this difficulty was overcome using certain criteria. The relative representation of each group was determined on the basis of the number of votes received in the last general elections, which took place on 6 November 1984. Of the two opposition groups, the principal and alternate were chosen by the total combined votes obtained in those elections. Within the group that supplied the alternate, an opposition member was chosen from the Democratic Coordinating Board, which had abstained from participating in the elections. The government thus made participation possible even for those opposition groups that had abstained from taking part in the first pluralist elections in the history of Nicaragua, and by doing so had not been able to objectively prove their representation.

That same day, President Ortega announced that Msgr Pablo Antonio Vega and Bismarck Carballo could return to the country, as well as the Catholic priest of Italian origin, Benito Pitilo—as a goodwill gesture to strengthen the climate of reconciliation, the existence of which the commission must verify.

IX. 1 SEPTEMBER: [subhead]

Through an executive branch decree, the National Reconciliation Commission was installed under the presidency of His Eminence Cardinal Miguel Obando y Bravo, archbishop of Managua; and as representative of the executive branch, Vice President Dr Sergio Ramirez Mercado.

X. 2 SEPTEMBER: [subhead]

The foreign minister invited the Central American and Contadora and Support Groups foreign ministers to appoint delegates to the International Verification and Follow-Up Commission meeting of the ad-hoc technical committee, to take place in Managua on 17-18 September, to establish ways for carrying out the verification and follow-up of Esquipulas II.

The National Assembly approved the autonomy law that recognizes and grants this status to the Nicaraguan Atlantic coast region, a draft within the framework of the Nicaraguan Government peace efforts that seeks social justice as a condition for true peace.

XI. 3 SEPTEMBER: [subhead]

Under Nicaraguan Red Cross patronage, new local centers were opened in different parts of the country for the reception of those who lay down their arms. They will first be established in areas particulary affected by armed gangs, such as Laulo, La Ponzona, Baka, Mulukuku, El Toro, Banderitas, and La Sirena in the Rio Blanco area, Matagalpa Department.

XII. 5-6 SEPTEMBER: [subhead]

New organizational efforts were made in the war zone of Las Segovias to attain peace. Catholic priests, evangelical ministers, and the Red Cross created basic institutions to put at ease those who wish to lay down their arms; as well as departamental commissions in Jinotega, Esteli, Madriz, and Nueva Segovia; in addition to local commissions in the towns of Yali, La Trinidad, Condega, Palacaguina, San Juan del Rio Coco, Telpaneca, Quilali, and El Jicaro.

7 SEPTEMBER: [no roman numeral as published] [subhead]

Catholic Archbishop Msgr Lisimaco Vilchez was named Peace Commission coordinator in Jinotega, a department in Nicaragua especially hit by the war financed and led by the Reagan administration.

XIII. 8 SEPTEMBER: [subhead]

The National Reconciliation Commission [CNR] held a second meeting to decide on how it will work. In addition, it agreed on 22 September as the date for a

third meeting. Among the agreements: rotational hosting, ordinary meetings once a month, extraordinary meetings at the request of one of its members, and decisions to be taken by consensus.

XIV. 13 SEPTEMBER: [subhead]

Following a decision by the executive branch, the Las Manos border post became a meeting place for families who live in Nicaragua and who have relatives up in arms in the contra bases in Honduras.

XV. 18 SEPTEMBER: [subhead]

President Ortega S. announced new government measures to foster regional and national peace movements: pardons of prisoners of Central American origin sentenced for violating the law on the maintenance of public order and security and other related laws; repeal of Decree No 760 of 19 July 1981, known as the abstentee law; and the call for political parties to start a national dialogue on 5 October.

XVI. 15 SEPTEMBER: [subhead]

At a mass ceremony attended by President Ortega Saavedra in commemoration of Nicaragua's independence, thousands of students publicly promise to defend peace.

On orders from the Foreign Ministry, the invitation that the Nicaraguan Government made to the Inter-American Human Rights Commission to visit the country and to examine in situ the charges of human rights violations made by sectors that favor the forces implementing the U.S. aggression against Nicaragua is announced in Washington.

XVII. 17 SEPTEMBER: [subhead]

The executive commission and the commission of ad-hoc representatives of the CIVS meet in Managua to make viable, promote, and program faithful and total compliance with Esquipulas II, defining its objectives and creating new work commissions.

XVIII. 18 SEPTEMBER: [subhead]

The Nicaraguan Government announces that during future weekends the Las Manos border post, on the border with Honduras, will be the site of reunions for separated families with full backing and guarantees from the Nicaraguan authorities for the contras who participate in these family reunions on weekends.

The meetings of the executive commission and of the commission of ad-hoc representatives of the CIVS are closed. New agreements reached represent new steps toward peace.

The executive commission adopted a multiple agreement that contains the following dispositions:

—Each government will create whatever domestic commissions are suitable for complying with the commitments reached in Guatemala.

—The foreign ministries will keep the members of the CIVS informed about the domestic commissions established and, as of 1 October, on the work advanced by those commissions and on compliance with the agreements.

—To constitute the following subcommissions within the framework of the executive commission:

The subcommission of refugees and displaced people;

The subcommission for studying the simultaneity of the agreements;

The subcommission for editing documents.

—To reactivate the security commission so it will pursue the respective negotiations within the framework of Contadora (security and armaments).

—To prepare for the consideration of economic integration ministers proposals for negotiating regional agreements aimed at promoting regional development and international cooperation.

XIX. 19 SEPTEMBER: [subhead]

In the framework of Esquipulas II, President Commander Daniel Ortega, accompanied by government authorities of the highest level, met with the Board of Directors of the daily *La Prensa*, presided over by Mrs Violeta Chamorro. Costa Rican Foreign Minister Rodrigo Madrigal Nieto participated in the meeting. As a result of that meeting the government authorized the reopening of the daily "with no restrictions other than those that a responsible exercise of journalism impose." The Board of Directors of the daily stated that it is prepared to contribute to "the climate of peace and understanding that the country needs to advance on the process of dialogue and national reconciliation."

XX. 22 SEPTEMBER: [subhead]

The government announces three new measures in the framework of Esquipulas II: the lifting of the press censorship; the reopening of Radio Catolica; and the unilateral and progressive implementation of a cease-fire that will make it easier for the CNR and the regional peace commissions to enter certain areas to explain to the population and the rebels in those areas the objectives of the peace process that slowly but surely is being implemented throughout the country.

Also on 22 September, the National Assembly decided to approve the decree that repeals the Absentees Law as well as to pardon Central American citizens in prison for helping the contras. Meanwhile, the Presidency Ministry

made public a note inviting legally registered political parties to participate, in the framework of Esquipulas II, in the national dialogue that was announced by President Ortega on 13 September and to be initiated on 5 October. Each political organization invited has been asked to appoint a principal and an alternate delegate and to list the points that the organization may find suitable for including in the agenda of the national dialogue. The principal will have the right to have five advisers chosen from his political organization. The CNR will be invited to be present at the dialogue and to follow its development. It is worth pointing out that the opening of the agenda goes very much beyond the commitment acquired by the Nicaraguan Government through the signing of the presidents' agreement.

XXI. 24 SEPTEMBER: [subhead]

The government, in line with the recommendations of the CNR, authorized the creation of the regional or departmental reconciliation commissions and charged the CNR with leading the peace efforts carried out by those commissions or by the peace commissions of the areas affected by the war. The regional organizations will be headed by the bishop of the respective diocese and will include a minister delegate of the Presidency, the head of the Red Cross, representatives of the political parties, and prominent personalities, including those of the evangelical church. The purpose of the regional commissions will be to promote and support the cease-fire process, guarantee effective participation in the application of the amnesty law, participate in the return of the rebels to their homes, and help the CNR to verify the application of all the measures adopted by the government in connection with the amnesty and cease-fire.

On 23 September, the government released the 16 Central American citizens who had been pardoned by the National Assembly the preceding Tuesday. They were turned over to their respective ambassadors by the president of the National Commission for the Promotion and Protection of Human Rights.

XXII. 29 SEPTEMBER: [subhead]

The government issued a declaration in compliance with the agreements, supporting the efforts of the International Verification and Follow-Up Commission and offering ample access and facilities for the verification efforts "in situ," as well as the technical and human resources needed for fulfillment of the commission's mandate.

XXIII. 30 SEPTEMBER: [subhead]

President Daniel Ortega, during a national assembly of technicians and professionals with over 4,000 people in attendance, announced a cease-fire unilaterally decreed by the government in three sections of the country with a total area of 1,450 square km, to go into effect on 7 October. According to a communique issued by the Presidency of the Republic, offensive military actions will be suspended in three territories designated in the communique from 0000 on 7 October to 2400 on 7 November, a period that could be extended, depending on the specific results that are obtained.

In the areas designated for the unilateral cease-fire, the guerrillas will be able to surface [concretarse] and make contact with the various peace commissions, including those headed by the CNR. The government is prepared to designate new areas for the application of the unilateral cease-fire, areas of activity by counterrevolutionary groups that request such a cease-fire through the peace commissions or other means. Permanent troops assigned to the areas protected by the cease-fire will be reassigned outside these areas depending on the course of events. The government has requested that the CNR and the peace commissions of the three designated areas carry out on-site inspections to verify strict compliance with the government provisions and, in coordination with the corresponding authorities, make the necessary arrangements to facilitate communications and meetings between the peace commissions in the cease-fire areas and the counterrevolutionary forces that have expressed interest in such meetings.

The president and foreign minister of Nicaragua, in compliance with the agreements reached by the Esquipulas II executive commission, hereby submit to their general counterparts [homologos generales] of the United Nations and the OAS a report on the actions carried out by the government in compliance with the commitments of Esquipulas II, from the time it was signed until 30 September.

Tegucigalpa, 7 October 1987.

Nunez on Dialogue, Revolutionary Structure

PA140011 Managua Radio Sandino in Spanish 1200 GMT 10 Oct 87

[Text] Commander Carlos Nunez has said that national dialogue should be part of the revolutionary structure for strengthening the democratic process. Nunez, who is chairman of the National Assembly, said the government expects national dialogue to agree with the spirit of the Esquipulas accords and revolutionary structure to reach an agreement with the opposition and strengthen national life.

He said the national dialogue is not intended to reconcile different positions, but instead different actions to strengthen both the Esquipulas accords and the forces' unity in the country. Here is Commander Nunez:

[Begin recording] The Nicaraguan Government understands national dialogue in the current circumstances as part of a general movement that includes measures for all countries including Nicaragua, which has made its

own pledge to strengthen peace in Central America. This is a historic landmark, a door-opening for Central Americans to settle our own problems ourselves and seek the best possible solution.

The national dialogue is one of the points derived from the Esquipulas accords. May I repeat that national dialogue is part of the peace process in Central America. This dialogue has its own characteristics making it different from our past efforts. What makes it different? The circumstances and nature of this dialogue are different. This dialogue is not between parties, but between the government and the opposition parties.

In sum, we can say we expect the national dialogue to occur in the spirit of the Esquipulas accords and respect the structure of the revolution, as well as all steps taken to strengthen the democratic process in Nicaragua. This dialogue should also provide an opportunity to talk and, if possible, to reach an agreement with the opposition on other aspects of national life, such as strengthening the nation's legal order. Just as the government has clearly shown good disposition in other areas, the government now wants to collect, consider, express an opinion on, and even accept other proposals to be made by the opposition parties, provided such proposals protect and strengthen the structure of the revolution. [end recording]

Opens 2d Dialogue Session

PA141244 Managua Domestic Service in Spanish 1800 GMT 13 Oct 87

[Text] Commander of the Revolution Carlos Nunez Tellez today opened the second session of the national dialogue, which is taking place at the Cesar Augusto Silva Convention Center.

Also presiding over the second session are Justice Minister Dr Rodrigo Reyes; Colonel Hugo Torres, head of the EPS Political Directorate; and Javier Chamorro, vice foreign minister.

During the session, Cesar Delgadillo, representative of the Popular Social Christian Party [PPSC], said that his party, like other parties, disagrees completely with the proposal of the Nicaraguan Democratic Coordinating Board [CDN], because the PPSC believes that the national dialogue should only involve political parties and not labor union and business organizations, as stipulated by the CDN.

Ortega Congratulates Arias on Nobel Prize

PA141249 Managua Domestic Service in Spanish 1800 GMT 13 Oct 87

[Note sent by President Daniel Ortega to Costa Rican President Oscar Arias on 13 October]

[Text] With profound satisfaction I learned this morning that you were selected as winner of the 1987 Nobel Peace Prize; I also wish to express my recognition. With your initiative and efforts you have helped to bring about the possibility of establishing a firm and lasting peace in Central America and have strengthened constructive steps leading to the achievement of that goal, as initiated by the Contadora Group.

This recognition encourages the voices of those supporting the Esquipulas II agreements. This feeling was unanimously evident on 7 October when the UN General Assembly clearly voiced its support for the agreements.

We, Central American heads of state, are committed to continue working until we achieve full compliance with the signed agreements and reach the peace demanded by our peoples.

Fraternally yours,

[Signed] Daniel Ortega Saavedra

Managua, 13 October 1987

Nobody will surrender here!

Panama

Ambassador to U.S. on 'Sensitive' Relations

PA141442 Panama City Telemetro Television in Spanish 2300 GMT 14 Oct 87

[Text] Juan B. Sosa, Panama's new ambassador to Washington, says he will make efforts to reactivate bilateral commercial relations. Sosa was questioned by local reporters about the delicate, tense relations that currently exist between Panama and the United States.

[Begin recording] [Sosa] We must be realistic. At this moment relations between Panama and the United States are sensitive. However, I trust that constructive and positive relations between the two nations will be achieved through dialogue, understanding, and agreement.

[Reporter] Mr Ambassador, it is reported you met this morning with members of the general staff. What did you discuss?

[Sosa] I believe that during my tenure as ambassador I will and must receive information and exchange opinions with all the sectors involved in Panama's policy toward the United States.

[Reporter] In the political field, how do you view the Senate's call for integral and positive changes in Panama?

[Sosa] I really cannot answer that question because at times one reads resolutions that do not necessarily reflect the proper spirit or intent. As soon as I am installed in Washington I plan to meet with members of the Senate

and House. Once I have done that I will have a clearer idea of these resolutions and will be able to talk on a constructive level. [end recording]

PAPO Demands Repeal of Canal Neutrality Pact

PA140010 Paris AFP in Spanish 0045 GMT 13 Oct 87

[Text] Panama City 12 Oct, (AFP)— The opposition People's Action Party (PAPO, Social Democrat) has proposed the convoking of a constitutent assembly, the dismissal of the country's military leaders, and the repeal of the Panama Canal Neutrality Treaty to resolve the country's political crisis.

In a document entitled, "Proposal for the Establishment of a Regime Based on Justice, Democracy, and Freedom in Panama," PAPO concludes that the country's political crisis of the past 4 months is the product of militarism, the foreign debt, and the canal's operation.

PAPO believes the Panama Canal Neutrality Treaty, signed in 1977, should be repealed because "it authorized the United States to intervene in perpetuity in Panamanian matters when they unilaterally decide to do so."

PAPO also reports that the Armed Forces "intervene in all the government institutions," have neutralized all adverse political expression, and have become "the sole source of public power."

The PAPO feels the judicial branch, the Justice Ministry, and the electoral tribunal should become "independent organizations made up of citizens of recognized honesty." PAPO believes these institutions are currently controlled by the Armed Forces.

The proposal ends by stating that the Panamanian foreign debt, estimated at $5 billion, "makes us increasingly dependent on industrialized countries, particularly the United States." PAPO, therefore, proposes renegotiating the debt based on national interests.

During the 4 months of Panama's political crisis, the National Civic Crusade, the Christian Democratic Party, and PAPO have formulated political proposals asking for a new government and a change in the Armed Forces leadership.

These demands—which include the resignation of strongman General Manuel Antonio Noriega—have been interpreted in government circles as an attempt to overthrown the government with the support of U.S. ultraconservative sectors.

Argentina

Further on New Economic, Social Measures

Government Communique Released

PY141454 Buenos Aires TELAM in Spanish 1151 GMT 14 Oct 87

[Text] Buenos Aires, 14 Oct (TELAM)—According to a long communique released in Government House at dawn today the government affirms that through the economic measures announced during the night it is trying to recover stability, ensure economic growth, and promote social equity.

The communique states that after 2 years of sustained effort in curbing inflation, it has not dropped below two-digit levels since this past July. The acceleration of inflation constitutes the main threat to production and to the people's standard of living. It has likewise caused the real salary values to deteriorate and is giving place to an incipient recession which must be stopped.

The government holds that it is possible to curb inflation, stimulate production and employment levels, and protect the purchasing power of those who earn less. It recalls that it did so in 1985, and asserts that it is therefore necessary to make another attempt in order not to return to the times of unbridled inflation.

The problems have not arisen only from the government's mistakes or weaknesses, the communique states. The international situation is still greatly [words indistinct] and this will persist as long as the creditor countries continue with a wrong attitude regarding the foreign debt problem of our countries.

The prices of our export products also dropped due to the industrialized countries' subsidies, and the international interest rates started to climb intolerably again.

[Passage indistinct]...(?essential measures to increase) the struggle against inflation and to promote growth within a framework of social equity. These measures, the communique states, will represent a decisive contribution to overcome part of the external economic difficulties.

But these measures alone cannot solve the problem, the government states, because no country can be expected to solve an external imbalance caused by the lack of responsibility of some of the great industrialized economies.

Regarding this issue, the communique mentions the irresponsible agricultural policy of the developed countries and the increase in interest rates caused by their own economic imbalances, thus increasing annually the burden of the debtor countries.

The government holds that the only rasonable way for making our growth compatible with this imbalance is through strong financing with favorable terms for facing this situation. It stresses: We are not speaking of donations, but of what is appropriate.

No one benefits if our country and the other developing countries have to reduce their economic activities, the document states, adding that Argentina is doing its part and it is necessary for the international banks, multilateral organizations, and central governments to do theirs.

The document states that Argentina is willing to receive financial aid from the IMF, so as to continue with the current efforts. It adds: The IMF must adapt its policies to the seriousness and characteristics of the current crisis, in order to correctly share responsibilities between labor and creditor countries.

The government acknowledges that it is its duty to prevent a recession by solving the most urgent national economic problems, but this does not mean that it will stop trying to find a different path toward growth based on Argentina's gradual integration with the rest of the world and on creating new opportunities for the investment of private capital. Here, the document speaks of new incentives for the necessary structural reforms and of a more solid and fair fiscal financing basis.

We are speaking, the communique states, of a new growth model based not on fiscal subsidies and monetary favors [prebendas monetarias], but on genuine investments, the mobilization of society's wealth, and a fairer distribution of the income.

After this introduction, the government communique explains in separate chapters the meaning of the measures it has released.

The first point of the document is entitled: To strengthen the struggle against inflation, ensuring that the efforts are equally distributed. This first point has two main objectives: to achieve a strict reduction in the public deficit, and to freeze prices and salaries.

Regarding the first objective, it states that a decision has been adopted in such a way as to combine an increase in utility prices with tax measures and a greater control of evasion, so as to make the adjustment more equitable, that is, to make the heavier burden fall on those who can pay more. It adds: It is a matter of replacing the tax that inflation imposes on those who live on fixed salaries with genuine taxes paid by sectors that are in a better economic position.

It also refers to reducing and curbing unproductive expenditures and to the need to stop the price-salary spiral, because if we let it go on, all our efforts will be vain.

This is how the salary and price freeze is explained. It adds that the October and November rates will reflect the same inflationary pressure we have been burdened with up to this date.

The second point of the set of measures deals with the following matter: To protect the living standards of the poor. For this reason it calls for the distribution of efforts on an equal basis.

It thus mentions measures on minimum salary, family allowances, a 12-percent increase for retired personnel and pensioners, and the sending to Congress of a bill for the reduction of rent for low-income housing, set for the month of October.

Under the title Expanding National Growth, the document states that it is not enough to reestablish conditions that will stimulate a productive economy; other specific and guided measures must be adopted as well.

These decisions must be in keeping with the strategy of a growth more integrated to the world, and on focusing on an initiative [words indistinct] the following subtitles: petroleum policy reform, new communications policy, temporary automatic and unrestricted imports, promotion of agroindustrial imports, industrial projects program to promote exports by small- and medium-size enterprises which are producers of basic regional products, a bill on industrial promotion, and modification of the foreign debt capitalization rule.

The fourth point of the summary of measures released by the government proposes a more competitive economy. It states that the Argentine economy for decades has operated under a policy of incentives that discouraged competitiveness and withdrew our production from international markets, and that this explains the low productivity and the inflationary result of the distribution struggle.

If competition is greater in the agricultural and livestock sectors, if will help to maintain a high rate of exchange, and speed the progressive reduction of export duties, which will promote the expansion of the agricultural sector and of regional economies.

For the industrial sector, the substitution of a policy of protection [words indistinct] by an automatic system of imports based on [word indistinct] tariffs, must be completed before 31 January 1988.

In addition to the elimination of these barriers, programs are being prepared for the conversion and modernization of industrial products together with progressive tax reductions. All these measures, the document states, seek to increase production.

The fifth point is entitled: Strengthening the Reorganization of Public Enterprises. This will require a joint effort by all people, but also a severe rationalization effort by the state.

To achieve this, a bill has been submitted to Congress creating the Public Infrastructure Fund and eliminating the monopolies of public services. There is mention of a simultaneous action for an internal adjustment of public enterprises (to give them the necessary vitality and effectiveness) and of a call to private capital to increase and improve the quality of public services.

As a general principle, there will be no more monopolies, that is, the private sector will be able to participate in providing services in transport, telecommunications, energy, and other sectors.

The sixth point of the official communique is entitled: Strengthening Institutionalized Financial Markets.

It argues that, in view of the need for controls established through the years, parallel markets have prospered, and the institutions submitted to social and administrative controls have progressively lost their effectiveness. This has led to privileges and dishonesty.

Thus, it has been announced that there will be two exchange markets, and that the financial market with regulated interest will be eliminated. Among other effects, this will give the holders of small savings accounts access to higher profit levels. They will also be given insurance to cover deposits up to a reasonable maximum amount.

The seventh point discusses the need to improve the federal distribution of the national resources. It stresses that the relation between the country and the provinces is an essential factor for national development.

Until now we have lacked a legal instrument to regulate this relation, a lack that will be corrected through the federal coparticipation system. This system will be submitted for consultations and discussions among the provinces in order to create a draft bill that operates in harmony with national aspirations.

The document makes other comments about the federal-province relations, and it also holds that, just as the Austral Plan promised not to finance the internal deficit with the issuance of money, it now promises something else: not to finance the state companies in any other way than that which is established by the law.

It also announces that it will establish a fixed criteria for the distribution of the FONAVI [National Housing Fund] funds.

The title of the eighth point is: To Develop Social Programs (according to the most recent summary of measures announced at dawn). It speaks of attaining better levels of well-being with the active participation of the social groups for which the measures are intended.

Regarding this issue, the government announced the following main instruments: a democracy in action program to attend to the urgent social needs of the poor. The program also sets objectives (and promises increased efforts) in the field of housing. It also foresees the establishment of regional profesional services (thus favoring the relocation of professionals in outlying rural areas).

It further proposes the establishment of small production projects, through credits for young people, family groups, and cooperatives.

In conclusion, the document refers to the health aspect. It asserts the will to continue promoting the national health insurance project, the social security systems law, and the renewal of the medicine assistance fund.

Alfonsin Addresses Nation

PY150132 Buenos Aires Domestic Service in Spanish 0000 GMT 15 Oct 87

[Address to the nation by President Raul Alfonsin from Government House in Buenos Aires on 14 October—recorded]

[Text] Good evening. I wish to speak to you tonight about the present situation and also about what I believe will be the situation we will be facing in the next few months. It is my hope that when I finish speaking, each of you will have a clear picture of what the political and economic situation will look like in the next 1 or 2 years; the tools we will use during this period to ensure the successful achievement of the objectives to be established by Argentine society; and, finally, the main problems all of us must resolve together.

It is very clear, and everyone is aware, that we are experiencing difficult times. In all walks of life we arrive at the same conclusion: Either we overcome these difficulties or they will defeat us. Therefore, we have clearly established that difficult times are filled with dangers and opportunities. The dangers lie in unresolved difficulties that may turn into greater problems, thus creating a vicious circle to the point that everything becomes uncontrollable. The opportunities lie in the fact that when there are many difficulties, the need to make decisions is obvious. What is more, there is a need to support these decisions which under other circumnstances are either unworkable or impossible to achieve.

No one can escape reality in difficult times. If difficult times depress us, they defeat us, but if difficulties compel us to take action, we conquer them.

I believe all of us recall the past, when for one reason or another we lost, and things got worse. This time things will not be like that. I do not even deem it necessary to explain to you what will happen if Argentines fail. Everyone knows that it will not be a mere return to the past. But you do not need to be told this, because each of you can imagine it.

What I want to tell you, what I want to reiterate to you, is that there will not be a repetition of what occurred at other times in our history. I want to tell you that I am sure a new opportunity will come out of this difficulty. But just telling you is not enough for it to happen, for us to defeat that difficulty, for this moment to become a springboard toward a better situation. I know I must tell you, but this is not enough.

It is also essential that everyone be convinced, reasonably convinced, that what we are going to do will work, that the path we are proposing is the right one. Another essential precondition is to understand each one of the steps we are going to take, to understand the reasons why we are taking them, and to intimately understand that they are both necessary and useful. This might be tonight's central issue, namely, that everyone should understand that what we are going to do is both necessary and useful.

Here we have to confront two types of problems. The first type is the result of serious imbalances in the economy. To solve the current situation, a series of measures—which are known to the public—have been adopted. I will go over them again in my speech, adding a few reflections.

Yet there is another set of problems that will not be solved through government measures, no matter how inspired, well-conceived, and well-implemented they are. These are the problems that must be solved by all of us.

We should first understand that both types of problems have a common cause: the shortage of resources in our economy. We have talked many times about this, but each one of you must understand the significance of an economy with scarce resources. In this type of economy, the exacerbation of the struggle for the distribution of income can create a situation in which a set of legitimate demands can cause society to destroy itself. What one person receives is to the detriment of someone else. Thus, little by little society becomes its own enemy.

Our shortage of resources has worsened recently. The Argentine economy, which could meet its foreign debt obligations despite its serious difficulties, was also hit by the world market price slump. As I have repeatedly said, the combination of these two factors has created a really explosive mixture for our economy, and—all of us can see it—we are paying the consequences.

Obviously, those factors were accompanied by other domestic issues that have aggravated the situation even more, its most tangible and immediate result being the resurgence of inflation. I do not think I have to list the consequences of inflation. Inflation is uncertainty; it causes serious imbalances in society; it is injustice; it is an increase of tension for those who want to recover what inflation has taken away from them. In conclusion, it is also a bomb that has been planted in the midst of Argentine society.

Consequently, no doubts can be harbored in this regard: The bomb must be defused, and this must be done as soon as possible. This is precisely the objectives of the set of measures we have announced: To defuse the inflationary bomb.

To do this, we have resorted to some instruments that have been used in our country before, for instance, measures to freeze prices and salaries.

But there are other policies, that are not found in the traditional anti-inflation adjustments handbook. These measures, which I would say are at the heart of the strategy we want to apply, rest basically on the principle of equality of effort. The Argentine workers have given more than their share to this effort, but today more than ever the principle of equality of effort cannot be set aside. I know that nobody relishes the idea of adjusting his income, but those who are stronger also have more responsibility. Effort with justice is acceptable, but effort with injustice is discouraging, saps one's strength, and is in the end impracticable.

The tax measures the government will seek to implement now are intended to enforce that principle of equity. Such measures will be addressed at forcefully eliminating the fiscal deficit, because that deficit reflects an unfair distribution of the national income tolerated under our tax system. But they are also directed at eliminating the fiscal deficit by applying a principle of justice which demands that those who have more pay more, that fiscal privileges end, and that the inequality caused by tax evasion or avoidance be eradicated.

On the basis of these ideas, I have personally made the decision to introduce to Congress, as part of the program that has been announced, a bill levying a special 50-percent tax on grades of gasolines, the revenues of which will be allocated to the national social security system. Should this bill pass in Congress, it will make it possible to increase retirees' minimum pensions to 300 australs. Let this be clearly understood: These funds will not go into the Treasury, but into the pockets of those who need and deserve such a benefit.

But all this might also turn out to be useless if the higher tax revenues ended up feeding an inefficient administration. In fact, it would be something like throwing the results of social efforts into a bottomless barrel. Therefore, the state will be the first one to make this effort, although the burden will not be transferred to public servants, because that would be a deceitful manner of making society and workers pay for it.

Specific measures have been taken to adjust the operations of the state. On the one hand, new laws will establish clear rules for the state-run companies, so that such companies must streamline their management practices.

On the other hand, new opportunities will be opened for private investment in areas that up to now have been reserved for the public sector, particularly in the oil and telecommunications sectors.

Finally, there are other decisions regarding the external sector and, more specifically, the foreign-debt problem. All of you know the position the government has adopted on this issue. Argentina has responsibly assumed its foreign obligations and even though it has adopted a tough negotiating stance, it has always negotiated. This position remains unchanged. I have repeatedly mentioned the disastrous situation in which we would have found ourselves had the Argentine Government taken another course.

When the French president visited us a few days ago, I said that the rest of the world must be a source of opportunities for our country. If we discountine the negotiations, the rest of the world will become a source of conflict, which will be very difficult to control. The consequences will spread to other sectors and fields, and not only in the socioeconomic area.

New guidelines are necessary. The fact that our contract with foreign creditors to pay the debt is rigid for us and flexible for them is not acceptable. This means that while Argentina is committed to a series of obligations with its creditors, it must accept the continuous uncertainty of varying interest rates. These rates should return to their historic levels once and for all.

After our negotiations this year, however, interest rates again increased. We have already denounced this, because it means we now have to pay $700 million more than what we had planned.

You can understand, and above all, the world must understand, because we speak with sufficient responsibility and moral strength, that other nations cannot expect our nation to make sacrifices to help solve their economic problems.

At issue is the application of normal interest rates, which should be less than half the present levels. Anything above that must be provided by the industrialized economies, which are responsible for the interest rate imbalance. An overall adjustment of interest rates should end the uncertainty because this situation only slows down everybody's initiative.

Very well, everything we do has one purpose: to defuse the inflationary bomb, and to solve our present situation in the fairest way possible. This is our responsibility, and we fully assume it. We do not intend to make anyone else pay the political cost that, according to the rules of democracy, the government should assume. But the causes of these difficulties are not going to disappear just because we want them to. The fire can start again at any time if we do not go deeper in search for solutions. And we do not have 10 different solutions.

The battle, the struggle for distribution, can only be resolved in one of two ways: Either we increase our total income and therefore have more wealth to distribute, or we resolve the struggle to ensure the best possible distribution of available resources. If we do not do this, the struggle for distribution will certainly destroy the people involved. In sum, we will all lose.

But no matter what efforts we make, and no matter how well we do in the foreign arena, the debt and the drop in international prices of our products will result in a situation where total revenue will not be enough in the short term. We run the risk of destroying all the efforts of our society if demands seek immediate solutions because of the urgency of our needs.

It is then absolutely necessary that we all work together to achieve a new way to function during the next 24 months. If we achieve this, if we establish rules accepted by all parties involved and to which all are committed, the consequences for society will be immensely positive. We will achieve more stability because we will be able to show everyone that we are a society that can solve its problems through a general consensus. We will gain the self- assurance that we need so much, and each of us will know exactly what his situation is during this period. We will mature, because social peace, the joint effort and the agreement among all sectors, will undoubtedly create the best conditions for the country to take off. But above all we will overcome our own past. We will overcome our past because the implementation of this experience, which is new in our history, will definitely separate us from our frustrations and launch us toward an unprecedented stage of accomplishments.

Since I took office by the will of the people, I have insisted on the need to hold dialogues, to call on the unity of the nation. I have reasserted that during this period, it is necessary for us to achieve common agreements, basic agreements that allow us to definitively consolidate democracy.

This is what we have preached, and we do not shrink from the responsibility if we have been unable to fully achieve this objective.

But today, this need to achieve coexistence, to achieve agreements, is obvious in light of the results of the most recent elections.

Now, it is the people who are challenging their leaders.

What does this mean? What does all this mean in practice?

It means that within the next few days, we will undertake a consultation process with all political, economic, and social sectors. In fact, I have already started this consultation process. The objective of this consultation process is to establish a framework of negotiations that will help us achieve as soon as possible a new social agreement on major social issues, among which is the need to achieve a realistic distribution of income, reforms that promote economic growth, and the establishment of clear rules regarding the relations between the provinces and the central government.

Because we are also facing a new national political situation, I, the president of all Argentines, believe this agreement is not only justifiable but absolutely necessary.

The 6 September elections created a new situation in the history of Argentine constitutional governments. The UCR has been able to continue heading the national executive branch, but it lacks an absolute majority in Congress, in either of the congressional chambers. The Justicialist Party [PJ] was successful in winning the majority of provincial governments, but in some cases it lacks a majority in provincial legislatures and municipal governments. Other parties either govern in some provinces or have representatives in the national Congress who have acquired a singular importance, in view of the relative balance of the two majority parties.

Given the duration of the constitutional mandates, it can be expected that this situation will prevail for the next 4 years.

As I have said, there is no precedent for this kind of power distribution in the republic, and this requires the use of unprecedented methods if we do not want to remain bogged down in a short-term situation and if we maintain due respect for the people's demands, so that democracy can be definitively consolidated in Argentina.

This is why the political parties represented in Congress, the labor and business sector representatives, as well as the representatives of other sectors of the nation must rally behind the government in order to find ways to solve these problems and to reach consistent and, if possible, definitive agreements for this stage of Argentine history.

Let it be well understood that this is not a simple matter of negotiating with the government. This is also a matter of the various parties discussing things among themselves.

This will not be a general and total agreement on some principles which should be reiterated. Rather, it will be a specific contract which, by consensus, will regulate sectorial actions for a definite period of time. This is not a new experience in the world. Other countries have managed to make that contract and enforce it, thus ensuring the consolidation of the political process, as well as the subsequent formulation of economic solutions, particularly following periods of authoritarianism or instability.

Therefore—and I would like this to be clearly understood—the measures that we have adopted for curbing inflation must be regarded from this viewpoint. They have been adopted to solve this particular situation, and they will facilitate the negotiation process. As I see them, they are essential measures, the political cost of which has been assumed by the government, which has also assumed responsibility for them. These measures are open to discussion. Obviously, if we do not defuse the bomb, it will be impossible to negotiate. Yet government action is not enough to prevent the bomb from being activated again. A sociopolitical accord is absolutely essential.

At this point, I deem it essential to elaborate on the specific meaning of these accords, on the specific manner in which we think they will help each of you in your routine life.

Once the accords are signed, they will signify a specific range of income for each sector, a clear range of rates for inflation and for the cost of living, an exact method for readjusting salaries, and a clear situation for the agricultural and industrial production sectors. Summing up, they will provide a framework that everyone will accept and that will provide certainty to everyone with regard to his own life, to the demands that he will have to meet, and to the possibilities within his reach.

In a word, there will be certainty in the routine life of each one of us and of each sector. Most important of all, all sectors will guarantee this framework.

From this viewpoint, it is a pact for certainty which, beyond all doubt, is the foundation of growth.

We are convinced that the imperative structural changes that the country is demanding will be enforced only with a broad collective will, which will be reflected by those individuals who will play a key role in the enforcement of that will.

In this regard, as I said on 1 May, on the occasion of the opening of the congressional sessions: We view the social pact as a freely reached reconciliation of the various sectors' interests and programs through open negotiations, aimed at the common good.

The social pact we propose will wipe out the traces of the corporate state that linger in the country. The fascist state results from authoritarianism, lack of clear and agreed-upon rules of the game, and the absence of democracy, and it is consolidatated by complicity and acquiescence. The openness of the republican system is the fascist state's worst enemy.

Today, because this is a difficult moment, because we must face reality—and no one should refuse to face it—we, as I said recently, are in the best position to reach such basic agreements. These agreements constitute a debt of the government to the nation's leaders, but, above all, a debt of the national leaders to the people. The people will witness what their leaders do in the coming months.

Because a republican government should operate in full view and for the sake of that republican openness to which we always allude, Argentine society should follow step by step, rather, control step by step, what its representatives do. This will be the best and most objective way of verifying whether advances are made in this period.

It is because of this that everything will be public and open. I assure you that we will be successful.

I know all sectors are willing to achieve this. I witnessed this once again during the negotiations we held in the past few days.

I know Argentine leadership sectors are willing to grant security, peace, and well-being to all Argentine men and women.

All of us together will leave the past behind. It will be a joint undertaking, and not merely the undertaking of a government. It is not our intention to take advantage of this situation. What we strive to achieve is to fulfill our duty, and we are certain we will be successful.

I am convinced that these are not just temporary decisions. We are about to achieve a commitment that will guarantee democratic coexistence and well-being, that will guarantee a national transformation.

All of this is possible. It will be a new contract to achieve a new society. It is up to the people to watch us, beginning by watching your president, who will continue to fulfill his responsibility; who will continue to lead the nation because the country does not depend on his intelligence but on the willingness and intelligence of all Argentines; who will continue to work for the benefit of all because he is convinced that his most glorious day will be that day when, at the proper time, he will hand over the presidential sash to a new president elected by Argentines.

Meanwhile, it is up to the people to demand that the president fulfill his duties and also to demand that all political, social, business, and union leaders fulfill their duty during these times of challenges which all of us without exception must confront.

Thank you very much.

Bolivia

Border Controls With Brazil, Peru Ordered

PY141221 Madrid EFE in Spanish 0131 GMT 14 Oct 87

[Text] La Paz, 13 Oct (EFE)—The Bolivian Government today ordered that the controls on the Brazilian and Peruvian borders be reinforced to prevent the entrance of "narcoterrorists."

This was announced by Deputy Migration Minister Walter Gumucio, who said that he had received several reports concerning the illegal entrance into Bolivia of foreigners without documents, thus representing a danger to the social stability of Bolivia.

Gumucio said that the main problem is that of "narcoterrorism"; therefore, strict control is being imposed on the borders with Brazil and Peru.

The deputy minister added that later, once the appropriate information is available, other preventive measures will be adopted.

Planning Minister on Gas Exports to Brazil

PY150400 Madrid EFE in Spanish 1659 GMT 14 Oct 87

[Text] La Paz, 14 Oct (EFE)—Gonzalo Sanchez de Lozada, the Bolivian planning and coordination minister, today warned that if Bolivia does not reach an agreement with Brazil on gas exports, Bolivia will be on the verge of a financial imbalance.

Sanchez de Lozada said the sale of Bolivian gas to Brazil is "vital" because the contract for gas exports to Argentina expires in 1992, which means Bolivia will cease to receive $340 million per year.

According to Sanchez de Lozada, Bolivia must introduce its gas into the Brazilian market within the next 5 years, because it needs currency and it must streamline the economy.

According to Sanchez de Lozada, newly appointed Energy Minister Fernando Illanes must strive to reach an agreement with the Brazilian Goverment.

Sanchez de Lozada supports President Paz Estenssoro's decision to appoint Illanes as energy minister. He said: Illanes has worked as an engineer in an agrochemical company for 8 years, which has allowed him to get to know the country.

Government Reiterates Recognition of PLO

PY131303 Madrid EFE in Spanish 0407 GMT 13 Oct 87

[Text] La Paz, 12 Oct (EFE)—In answer to a campaign that calls the PLO a "terrorist" organization, the Bolivian Government today reiterated its official recognition of the PLO.

Bolivian Foreign Minister Guillermo Bedregal has stressed that the PLO cannot be referred to in that way and that Bolivia supports the PLO's right to sovereignty and has established formal relations with the organization that is headed by Yasir 'Arafat.

A resolution supporting the PLO has also been approved by the Chamber of Deputies; it urges the Executive Branch to expand and consolidate its relations with the PLO.

The Bolivian Foreign Ministry has approved the status of a PLO diplomatic representation in the country, it has been included in the diplomatic list, and the PLO has been granted the appropriate rights and privileges through an agreement signed in April 1987.

Brazil

Mozambican Culture Minister's Activities

PY090202 Brasilia Domestic Service in Portuguese 2200 GMT 8 Oct 87

[Text] Mozambican Cultural Minister Luis Bernardo Honwana is visiting Brazil. Today he met with acting Brazilian Culture Minister Joaquim Itapari to discuss the implementation and expansion of cultural relations between Brazil and Mozambique.

The two ministers studied the possibility of creating a fund for a bibliography of the Portuguese language, and the realization of Mozambican Art and Culture week in Brazil.

Honwana will leave for Rio de Janeiro tomorrow, and then for Sao Paulo.

Guimaraes To Stand In During Sarney's Trip

PY141729 Sao Paulo Radio Bandeirantes in Portuguese 1600 GMT 14 Oct 87

[Text] Ulysses Guimaraes will stand in for President Sarney during the latter's 3-day official visit to Venezuela. On his way back, President Sarney will announce a

ministerial shuffle that may present two real surprises: Nario Henrique Simonsen for the Planning Ministry, and Jose Aristoteles Pinotti for the Social Welfare Ministry.

It is being rumored at the Bandeirantes Palace that (Dr Paulo de Carros) may replace Pinotti in the Sao Paulo State Health Secretariat. This way, Orestes Quercia will start the process of controlling the [word indistinct] (?media), to use it to help elect his candidate for the Sao Paulo mayoralty.

Space Program To Have 'Military Objectives'

Sao Paulo FOLHA DE SAO PAULO in Portuguese 8 Oct 87 p 8

[Text] The Brazilian space program will probably have military objectives in the future. This is because the Sonda IV rocket and the Satellite Launcher Vehicle (SLV) will be able to carry, as a pay-load, conventional or nuclear warheads instead of the scientific research equipment it is carrying today.

Regardless of its limited performance as far as range and precision are concerned, the Sonda IV has a command system that can guide it to a given objective. A fixed target, for instance, can be hit with a certain degree of accuracy, because of the computers that guide it. Although it was designed mainly to serve as a propelling engine of the future SLV, the Sonda can carry on its "nose" a nuclear warhead instead of scientific equipment. Its range, however, is limited to some 610 km.

But the SLV will be technologically more sophisticated. It will have four engines (four Sonda-IV rockets) and will be able to hit a target from a distance of 1,000 km.

Rocket Launched

PY090254 Brasilia Domestic Service in Portuguese 2200 GMT 8 Oct 87

[Excerpts] The Sonda IV rocket has been launched successfully in the presence of President Jose Sarney. The operation "Petropolis" that marked the launching of the Brazilian-made rocket Sonda IV was successful. The rocket was launched at 1430, from the Barreira do Inferno Launching Center in Natal, at a speed of 3,000 meters per second.

From the official podium, President Jose Sarney, accompanied by Governor Geraldo Melo, ministers, and special guests, attended the launching and applauded the successful operation. [passage omitted]

Aeronautics Minister Otavio Moreira Lima stated today in Natal, after the rocket's launching, that satellites [as heard] represent a vital importance for Brazil, and development in the aerospace sector will provide technological training to Brazilian technicians and engineers. He also referred to the low cost of this technology in Brazil.

[Begin Moreira Lima recording] Today, the launching of this rocket will facilitate the launching of rockets such as the Ariane. We paid $100 million for the Ariane project. With our current technological development, we will be able to launch our own satellites at a much lower cost. This, of course, will represent for the country, not only savings of resources, but also the technological training of our technicians. [end recording]

Chile

Pinochet, Foreign Ministry Congratulate Arias

PY141831 Santiago Domestic Service in Spanish 1600 GMT 14 Oct 87

[Text] President Augusto Pinochet has sent Costa Rican President Oscar Arias Sanchez a note congratulating him for having been awarded the 1987 Nobel Peace Prize. The presidential message stated:

I have the greatest satisfaction in sending you my most earnest congratulations for having been awarded the Nobel Peace Price. The note adds: Your permanent efforts toward obtaining peace have won you the right to this highly prized award.

In a news conference, the Chilean Foreign Ministry stated that this prize was awarded because of the efforts the Costa Rican president has been making in favor of peace in Central America.

Anticommunist Groups Threaten CNT's Bustos

PY112311 Madrid EFE in Spanish 0027 GMT 11 Oct 87

[Text] Santiago, 10 Oct (EFE)—Lawyers for the National Workers Command [CNT] President Manuel Bustos, who has been threatened with death by anticommunist groups, today filed a petition for a court injunction on Bustos' behalf before the Santiago courts.

Nestor Gutierrez, Bustos' attorney, reported this in a telephone interview, explaining that communiques stating that Bustos will be killed have been sent to several labor organizations .

The threats are signed by "ACHA" (Chilean Anticommunist Association), which charges that Bustos is an agent of the Soviet Committee for State Security (KGB).

Bustos called the 7 October general strike, during which 3 people were killed, 10 wounded, and over 500 arrested.

On 9 October, General Augusto Pinochet's military government requested that Bustos and 30 leaders be tried for supporting the strike.

Bustos Discusses Situation

PY121515 Madrid EFE in Spanish 1631 GMT 11 Oct 87

[Text] Santiago, 11 Oct (EFE)—Manuel Bustos, president of the National Workers Command (CNT), said today that politicians, as well as the military government, "are afraid of the social movement which grows day by day."

Bustos assessed the results of the 7 October general strike: "When democracy is restored, the people will regain their courage. If we now managed to paralyze 50 percent of the country, under a democratic government we could paralyze 100 percent, which would make the country ungovernable."

Regarding businessmen, the CNT president stated that they must understand that "some day this country is going to change."

Speaking to the local press, Bustos stated that "an incompetent regime must go." Bustos is currently facing trial, accused by the Chilean military government of promoting the general strike. He must testify on 13 October before Judge Arnoldo Dreysse.

Bustos, who is running the risk of being sent back to jail because of his struggle against General Augusto Pinochet's regime, stated that his struggle is at the "union and social level, demanding better salaries and the recovery of the workers dignity."

He said that "if the regime provides no solutions it is because it is incompetent and must go."

Bustos said recent remarks by Guttemberg Martinez, secretary general of the Christian Democratic Party—his own party—were "unfortunate."

Bustos explained that Martinez has supported a political-electoral movement, and not a social movement, although "thanks to this social movement he can speak today."

According to Bustos, "politics are managed by Pinochet and not by the opposition. The opposition is worried about writing letters and private documents, disregarding the overwhelming majority of the people. This is self-deceiving," he stated.

Regarding remarks by Martinez, who criticized the violence with which the strike was conducted—3 people died and at least 10 received bullet wounds—Bustos said Martinez thought the strike was a day of violence, "the same term used by the government."

Bustos added: "However, the country has been living through violence for 14 years, not just on 7 October. When the three professionals were kidnappped and beheaded, when Chilean union leader Tucapel Jimenez was murdered, and when five other Chileans were murdered, including reporter Jose Carrasco, there was no strike at all."

The CNT leader added he is willing to talk "even with Pinochet." He added that "we are living on starvation wages, a terrible unemployment rate, and labor laws that are harming us."

Convinced of the need for dialogue, Bustos stated that "to engage in a dialogue we need businessmen with a modern outlook and not those who unscrupulously exploit workers."

The Chilean union leader added that businessmen must understand that "they cannot engage in abuses because they have a regime that protects them, because some day this country is going to change, and we do not want vengeance."

In the trial case against 39 social and political leaders, 4 are in custody and 31 [as received] have been set free. Of the four detainees, two are being held incommunicado. They are Carlos Millan and Fanny Pollarolo.

Colombia

Country Returning to Normal After Leal Murder

PA141337 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 14 Oct 87

[Text] Bogota—The government praised the behavior of its citizens during yesterday's events, and noted that with the exception of looting in the center of Bogota and the shooting incidents in Barrancabermeja, the city [as heard] successfully surpassed the test the anarchist tried to put it through. [Government] Minister Cesar Gaviria Trujillo told CARACOL that the government has reports of all the regions and that public order is satisfactory.

Barrancabermeja, the main oil port on the Magadalena River, was the scene of armed clashes between subversive groups and police.

In Bogota, persons not involved in the funeral of UP [Patriotic Union] leader Jaime Pardo Leal committed vandalism, causing multimillion [currency not specified] losses downtown. The police managed to catch more than 200 thieves.

There were sporadic clashes between troublemakers and the police in other cities around the country, without major incidents.

Today, the government ministry will analyze the situation the country is going through following the wave of protests over the murder of Jaime Pardo Leal. The situation today is calm.

At this time,the country is returning to normal following the funeral of Magistrate Jaime Pardo Leal. Nearly all activities were paralyzed and there was much looting. There were clashes between troublemakers and police, but all violent attempts were controlled.

The UP, through its leader Bernardo Jaramillo Ossa, condemned the actions of the anarchists who tried to cause chaos among the inhabitants, and who showed disrespect for the solemn funeral of Mr Pardo Leal.

With the exception of the judicial branch workers, there will be a 48-hour strike in Bogota today, as well as in Barrancabermeja, where they will be a strike called by oil trade unions. The remaining economic and social sectors are preparing to restart work.

Urban public transportation is back to normal. Banks will open as usual; public offices will serve the public; business and trade will continue as normal.

Classes in schools and universities, with the exception of those in Antioquia and Medellin and the Nacional in Bogota, will restart normally following the call made by the Education Ministry.

'Special' Courts Formed

PA140124 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 13 Oct 87

[Text] President Virgilio Barco Vargas' administration will try to stop the wave of violence and make sure the murders causing social unrest in the country do not go unpunished. The government will try to do this with special courts, in addition to the superior courts. The special courts constitue new judiciary mechanisms to control crime.

The courts will be comprised of three magistrates who have good professional reputations. They will be chosen by the Supreme Court of Justice and will be concerned exclusively with the crimes of kidnapping, torture, and personal attacks against political leaders. These courts will also be entrusted with enforcing the penal legislation on the crimes causing the most significant social unrest. One of these courts will operate in the Supreme Court of Justice and in each of the superior courts. The government has allotted the necessary funds to assure that the new judiciary mechanisms adopted following the assassinatioin of opposition leader Jaime Pardo Leal will operate quickly and efficiently. The courts will be similar to the old special tribunal that was created by the state of siege decree, and that was declared unconstitutional.

The new courts are based on a special powers law recently approved by Congress that permits the government to reorganize the entire judiciary system in Colombia. Some of the crimes will be turned over to the Supreme Court of Justice; but in most cases, the new courts will hear the case. The special magistrates will have all the necessary protection and assistance from the state, the necessary logistical resources, support from the Judiciary Police and support from judges. The magistrates' jurisdiction will be equal to the jurisdiction of the courts.

Two Suspects Detained

PA141437 Bogota Emisoras CARACOL Network in Spanish 1215 GMT 14 Oct 87

[Text] Bogota—A woman is the first person to be detained in connection with the murder investigation of Magistrate Jaime Pardo Leal.

According to initial police inquiries, Mrs Marta Janet Castellanos forged documents to rent a Renault-18 car, which was used by the hired assassins who opened fire on Mr Jaime Pardo Leal, killing him.

The police are searching for professor Humberto Correa Gallego who works in Puerto Asis, Putumayo, and who rented a car from the "We Rent" [Rentamos] car rental company in Bogota in mid-September.

According to preliminary investigations, Correa Gallego tried to rent the Renault-18, but did not meet the requirements, which forced him to get help from Marta Janet Castellanos, who rented the car ,using her own identity papers.

On 18 September, according to the police version, the car was apparently driven by Correa Gallego from the Boyaca Real neighborhood to the west of Bogota where it was taken by a group of persons who attacked him and his girlfriend. A few hours later, Correa Gallego filed a report on the car theft. The authorities are wondering why the professor from Putumayo came to Bogota and hired a car that cost at least 30,000 pesos a day.

Judicial officials feel the investigation is going well, since they have already identified two people who may be connected with the murder of Mr Pardo Leal.

Jaramillo Calls for Front

PA141604 Madrid EFE in Spanish 0949 GMT14 Oct 87

[Excerpts] Bogota, 14 Oct (EFE)—The new Patriotic Union (UP) President Bernardo Jaramillo has called for a democratic front for national salvation formed by representatives of Colombia's left, liberals, and conservatives, in order to end the violence in the country.

Jaramillo stated: "In honor of Jaime Pardo Leal, I want to take this opportunity to convoke a democratic front for national salvation that will unite us with liberals and conservatives to avoid allowing the fascist and militarist minorities to take over what is left of Colombia."

The UP president spoke at the foot of the tomb where Jaime Pardo Leal was being buried in the Bogota central cemetery and in the presence of an irate crowd that did

not allow the participation of representatives of the Liberal Party directorate, New Liberalism, or Social Conservative Party who had also attended funeral. [passage omitted]

Gilberto Vieira, general secretary of the Colombian Communist Party reaffirmed the call to dialogue and a front for national salvation.

As Ernesto Samper of the Liberal Party's directorate, and Luis Carlos Galan, president of New Liberalism, were leaving the cemetery they stated to EFE that they were willing to be part of the front for democracy in Colombia. During the general strike called by the UP yesterday to protest the murder of its leader and former presidential candidate, three children died in disturbances that took place in different parts of the country.

These 3 children raised the number of victims of clashes between police and demonstrators to 11.

Paraguay

Imprisoned Leader Receives Letter From Alfonsin

PY132330 Asuncion ULTIMA HORA in Spanish
13 Oct 87 p 10

[Text] "The Argentine democracy is aware of its responsibility to its Latin American brothers, and is firmly convinced that our nations will build their own greatness only if democracy is fully enforced in all of them because this is a precondition for the much-wished-for essential, continental unity." This comment is part of a personal letter that Argentine President Raul Alfonsin has sent to Dr Rafael Hermes Saguier.

Saguier, a leader of the People's Mobilization for Change faction of the Authentic Radical Liberal Party, is being held at Tacumbu Prison on charges of violating Law No 209.

"You should know we are aware of your personal sacrifice, because you, like so many other fellow Latin Americans, neglect your own personal situation for the sake of the well-being of the community. You should also know that since this is a noble cause, all your suffering will be rewarded with the admiration of free nations and—I have no doubt—with the gratitude of future generations, who will honor those who are now seeking the path to freedom, just as we respect and honor the men who built our nation," Alfonsin says.

At the beginning of his letter, the Argentine president says he has "received information on your personal situation, and this has moved me, because it is difficult to admit the sad situation of a fellow Latin American who is suffering in his struggle for the ideals of freedom, equality, and social justice."

The letter ends by saying: "We are convinced that the full enforcement of human rights in our nations depends on the joint and shared efforts of those of us who have assumed the responsibility of being public men, whatever role we have to play. The efforts have not been in vain. Freedom is becoming increasingly real in Latin America."

PRF Not To Participate in Elections

PY140308 Asuncion ULTIMA HORA in Spanish
13 Oct 87 p 8

[Text] A statement issued by the Febrerista Revolutionary Party (PRF) reads: "The PRF executive board believes it is necessary to reassert the PRF's political line, which is not to participate in the so-called elections, or in any of its stages, either as poll watchers or comptrollers, because these elections have traditionally been fraudulent and no democratic guarantees have been upheld."

In the election farse the government sets up every 5 years, people vote because this is what is established in the Constitution, but no national officials are elected," adds the PRF statement, which was "amid rumors that the PRF might participate in the February 1988 elections."

The statement says: "The lack of basic freedoms and guarantees for citizens and their political parties to carry out their civic activities, such as the right to hold meetings, the right to establish associations and to organize, and the right to express opinions through the press and other media, undermines the prevalence of proper conditions for holding authentic elections that reflect the people's true political will."

It adds "What is more, the electoral law itself allows election frauds. The fraud in the vote-counting process is an affront to the people, and high-ranking officials have publicly boasted of having given votes to the opposition minorities that participate in the legislature."

The statement adds: "The conditions that led the PRF to decide not to participate in previous fraudulent elections have remained unchanged. Moreover, conditions have deteriorated through the implementation of harsher repressive and dictatorial practices. Today there are more cases of flagrant civil and human rights violations than in previous election campaigns."

The PRF document states: "The blank vote is the only means of condemning the electoral parody, despite the fact than even blank votes can be tampered with."

It has also been reported that the PRF leadership will meet sometime this week to study the national political situation and issue another communique.

Peru

Further on Financial System Nationalization

Stock Market Suspended

PA140325 Lima Domestic Service in Spanish 1730 GMT 13 Oct 87

[Text] The government has suspended for today and tomorrow, Wednesday, all transactions of shares of financial, banking, and underwriting enterprises on the Lima stock market, according to a supreme decree published in the official gazette, *El Peruano*. The suspension includes the operations of the Wiese Bank, the Credit Bank, and Financiera del Credito del Peru S.A.

It is believed that this measure is a preventive measure in connection with the financial system nationalization law.

Charges Leveled at Banks

PA140410 Lima Domestic Service in Spanish 1730 GMT 13 Oct 87

[Text] The bankers are conducting illegal sales of shares to obstruct the bank nationalization law. The government charged last night that the large shareholders in banks, particularly in the savings banks, are selling shares to circumvent the bank nationalization bill. The bankers are allegedly selling shares to nearly 5,000 persons.

The Economy and Finance Ministry last night issued a communique warning that the alleged sale of over 1.2 trillion soles guaranteed by shares—using the resources of the people when the law is already in effect—has no value according to the law. This shows the bankers want to mock the law, the communique says, pointing out that the government will expropriate the shares used in this illegal manner.

Government Communique Issued

PA150345 Lima Television Peruana in Spanish 0142 GMT 15 Oct 87

["Official communique" issued on 14 October; read by Acting Communications Minister Abel Salinas at the Government Palace—recorded]

[Text] Messrs journalists, I have called you, as acting communications minister, to report to you the following official communique:

1. Today, in compliance with Article 7 of the Law on Nationalization of Banks and with Article 132 of the Peruvian Constitution, the government has assumed temporary control of the operation and administration of the Financiera de Credito, the Banco de Credito, and the Banco Wiese and has appointed administrative committees that are now taking over the powers and the duties of the respective boards of directors.

2. The takeover of the three institutions has been carried out without incident and will not affect at all the savings, deposits, and holdings of investors. On the contrary, in one of the cases, the takeover was necessary because of a method through which all the savings and deposits of the Financiera de Credito would have been used to make payments to the largest stockholders of the Banco de Credito. To do this, the owners decided to sell [stock] to thousands of individuals who would pay with a loan from the Financiera de Credito and who had placed as collateral for this loan the same stock of the Banco de Credito, which had not been paid for yet. Because the Banco de Credito owns the Financiera de Credito, the bank's stockholders would be making payments to themselves by using the savings of their own institutions without previously establishing the stock's price and without providing sufficient guarantees.

3. The government has shown to the entire country that it has acted with the greatest prudence in handling this difficult, historic issue. However, this caution has been misinterpreted as a sign of weakness by those holding economic power. The allegation of the owners who said they are protected by judicial decisions is not accurate. Those restraining orders were issued before this law was enacted. Once a law is enacted, the government must enforce it. In addition, judicial decisions that are not rulings but are judgments for issuing cautionary measures in a trial are not valid for refraining from enforcing in a specific case the law decreed by the legislative branch, a branch that has been elected by the people, or for ordering the Executive Branch to abstain from enforcing its orders.

4. Laws must be obeyed as long as they have not been abolished and must be obeyed without exception. The economic groups and those having the power provided by money are not excluded from complying with this law. If the law is considered unconstitutional by those affected, they may present their allegation to the Supreme Court, which is the supreme arbitrator of the Constitution. Disobeying the laws means disobeying the people's democratic desire.

5. The government is acting supported by the law and within the framework provided by the system of constitutional freedom. The government must firmly enforce the laws. The recent disorders and the fallacies with which some have attempted to disobey the congressional decision affect the juridical order.

The government believes it necessary to affirm the authority of the state, whose objectives, motivated by the laws, can only be modified by the people's freely expressed desire.

It is outrageous to the country that the legislature elected by the people, the government based on the desire of the absolute majority expressed through the elections, and the national juridical system are hampered by pressure or maneuvers by powerful economic groups that have

always demanded laws be obeyed when the laws were to their advantage and affected the weak groups. Now that the laws are affecting their power, however, they are refusing to obey the laws by resorting to all possible means. To make all Peruvians—regardless of their status and with no exceptions—comply with the laws is the government's duty and a condition for the exercise of democracy in Peru.

President Garcia Swears In Defense Minister

PA141950 Lima Domestic Service in Spanish 1730 GMT 14 Oct 87

[Report by Mercedes Jara from the Government Palace in Lima—live]

[Excerpt] In a historic event for the country, Division General Enrique Lopez Albujar took an oath before Peruvian President Alan Garcia Perez in the Government Palace's Golden Room.

President Alan Garcia, when receiving the oath from the new defense minister, paid homage to writer-novelist Enrique Lopez Albujar, father of the new defense minister, by quoting some verses from the poem "My Flag," by the renowned writer. [passage omitted]

Traffickers, Terrorists Engage in Battle

PY131340 Lima Panamericana Television Network in Spanish 0305 GMT 13 Oct 87

[Text] Deputy Interior Minister Agustin Mantilla reported tonight that an armed confrontation between drug traffickers and terrorists took place between Uchiza and Progreso. Thirty-four criminals were killed, while 21 others were detained. The police also seized a large number of weapons and ammunition.

[Begin Mantilla recording] On Saturday, 10 October, groups of terrorists and drug traffickers engaged in an armed confrontation early in the morning for control of the area. Police forces quickly organized an operation and moved to the area to confront these two groups. This incident happened in the area between the districts of Uchiza and Progreso. A total of 34 criminals were killed, while 21 were detained. Eleven of these detainees were wounded.

The police also managed to seize the following weapons: 19 FM automatic rifles, used by the Venezuelan Army; moreover, the coat-of-arms carved on two rifles, [words indistinct], show that they belong to the Colombian Army; several semi-automatic rifles; submachineguns; revolvers; pistols; and a large amount of ammunition, explosives, and grenades that can be fired by a rifle. One of these grenades destroyed one of our helicopters at the beginning of the year.

I repeat, this happened on Saturday. The wounded and detainees have been placed at the disposal of the court, following the appropriate identification by the prosecutor. This shows the efforts the police and the Interior Ministry are making to control the zones in which the state of emergency has been declared, and which are our responsibility to control. [end recording]

Uruguay

Shevardnadze on Possibility of Ventures

PY142254 Montevideo EL DIA in Spanish 7 Oct 87 p 7

[Text] Soviet Foreign Minister Eduard Shevardnadze said yesterday during a meeting with Victor Cortazzo, president of the Chamber of Deputies, that the USSR might establish joint ventures with Uruguay in the agroindustrial field.

During the meeting, which was also attended by Leon Morelli, president of the Chamber of Deputies International Affairs Committee, and Roberto Asiain, vice president of the same committee, Asiain expressed concern over what he described as "the deterioration of economic-trade relations at the bilateral level," along with a sharp decrease in Uruguayan exports to the USSR.

Shevardnadze said both countries must look for new forms of trade, including countertrade agreements, joint Soviet-Uruguayan ventures in fields where Uruguay has shown "noteworthy development," such as the agroindustrial field.

BRIEFS

Relations Established With Belize

At a meeting held yesterday in New York between Foreign Minister Enrique Iglesias and Foreign Minister Dean O. Barrow, Uruguay and Belize established diplomatic relations. A communique released after that meeting says that relations were established at the ambassadorial level as of 28 September 1987. [Summary] *[Montevideo EL DIA in Spanish 29 Sep 87 p 5 PY]*

Suriname

Soviet Trade Union Delegation Ends Visit

FL141756 Paramaribo International Service in English 1730 GMT 14 Oct 87

[Text] Chairman of the (Vladimir) Regional Board, (Nikolay Turins) and (A. Sarkov), working at the bureau for international relations of the Russian trade federations yesterday ended their 7-day visit to Ravaksur, the Council of Trade Union Federations in Suriname.

Annually, top unionists from the Soviet Union visit Suriname to exchange experiences in trade unionism.

During their visit, the Soviet unionists were pleased with the cooperation among the three biggest trade union federations in Suriname organized under Ravaksur on the basis of a clear program. They are also pleased with the launching of a party for the working class, the Suriname Labor Party.

During their stay, the Soviet delegation had talks with the boards of the different trade union federations, production companies, and the workers.

The protocol for cooperation between the trade union in the Soviet Union and Suriname already exists for 4 years now. There are agreements between the two parties in the field of cooperation, solidarity, and material, as well as moral support. Annually, a delegation from the Surinamese labor movement visits the Soviet Union to participate in May Day celebrations in that country.

Minister Departs for ILO Talks in Brazil

FL141905 Paramaribo International Service in English 1730 GMT 14 Oct 87

[Text] Labor Minister Andre Koornaar yesterday left for Brazil where he will have talks with the ILO office in Brasilia on technical cooperation. The relationship with the Brazilian office resulted from talks between Suriname and Brazil during ILO conferences over the last 2 years.

The projects which will be discussed in Brasilia are employment, ILO cooperation, cooperative organizations, and trade union educational activities.

The minister, who is accompanied by [name indistinct] from the labor ministry here, will also visit a number of trading institutes in Brazil.

Suriname wants to have a link with the ILO Brazil office since this office doesn't have to share its budget with other member countries. However, it will still make use of the facilities of the ILO office in Trinidad and Tobago.

The delegation will be back in Suriname on October 19.

Netherlands, Spain Help To Identify Body

FL131923 Paramaribo International Service in English 1730 GMT 13 Oct 87

[Text] The two white persons who were killed during clashes at Pokigron have not yet been identified. According to statements from eyewitnesses, the two men were part of the group of (?four) white mercenaries who fought alongside the Brunswijk gang. The eyewitnesses say that Indian, Dutch, and Spanish were spoken by this group.

The military authorities have asked the Dutch, as well as the (?Spanish), charges d'affaires in Paramaribo to assist in the identification of one of the men whose body has been brought to Paramaribo. The body of the other dead man is yet to be brought to the city. Further information on the whereabouts of the two dead men is not yet known.

The Dutch charge d'affaires, who refused to go to the mortuary, said he wanted to identify the two mercenaries via photograph.